Foundation Giving

Yearbook of Facts and Figures on Private, Corporate and Community Foundations

THE FOUNDATION CENTER

Foundation Giving

Yearbook of Facts and Figures on Private, Corporate and Community Foundations

1991 Edition

by

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The Foundation Center

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Contents

Tables and Figures iv
Foreword vii
Executive Summary viii

FOUNDATION GIVING AND GROWTH 1
1989 Grants, Assets, Gifts Received 1
The Growth of Foundation Giving: 1975-1989 5
Large and Small Foundations 9
Shifts in Geographic Distribution 13
Foundation Development in the 1980s 16

GIVING AND GROWTH OF INDEPENDENT, CORPORATE & COMMUNITY FOUNDATIONS 23
Independent Foundations 23
Corporate Foundations 27
Community Foundations 32

FOUNDATIONS' SHARE OF PRIVATE PHILANTHROPY 37

TRENDS IN GIVING: 1989 AND THE DECADE 41
The New Grants Classification System 41
Domestic and Foreign Giving in the 1980s 43
Subject Focus 43
Human Services 44
Public/Society Benefit 45
Environment/Animals and Wildlife 46
Education 48
Health 48
Arts, Culture, and Humanities 49
Science and Social Science 50
International Affairs, Development, and Peace and Security 51
Types of Recipient Organizations 51
Types of Support Awarded 53
Special Populations 56
Giving Trends of the 100 Largest Foundations 57
Giving Trends of Independent, Corporate, and Community Foundations 60

FINDING OUT ABOUT FOUNDATIONS 67
Foundation Reporting: Voluntary and Mandated 67
Foundation Research: Key Sources of Statistical Information 69
Access to the Information 70

APPENDIX A: Regulation of Foundations 73

APPENDIX B: Cooperating Collections of the Foundation Center 75

Tables and Figures

FOUNDATION GIVING AND GROWTH

1989 Grants, Assets, Gifts Received

Figure 1. 1989 Foundation Grants by Foundation Type 1
Table 1. Comparison of 1989 to 1988 Grants 1
Table 2. Aggregate Fiscal Data by Foundation Type 2
Figure 2. 1989 Assets by Foundation Type 3
Table 3. Comparison of 1989 to 1988 Assets 3
Figure 3. 1989 Gifts Received by Foundation Type 3
Table 4. Comparison of 1989 to 1988 Gifts Received 3
Table 5. Comparison of Grants of the 25 Largest Foundations, 1988–1989 4
Table 6. Comparison of Assets of the 25 Largest Foundations, 1988–1989 5
Table 7. Number of Foundations Receiving Total Gifts of $5 Million or Over and Aggregate Dollar Value 5

The Growth of Foundation Giving: 1975-1989

Table 8. Growth of Foundation Grants Adjusted for Inflation 6
Figure 4. Effect of Inflation on Foundation Grants, 1975–1989 6
Table 9. Growth of Foundation Assets Adjusted for Inflation 7
Figure 5. Effect of Inflation on Foundation Assets, 1975–1989 7
Table 10. Growth of Gifts Received Adjusted for Inflation 8
Table 11. Number of Grantmaking Foundations, Assets, Grants, and Gifts Received 8
Table 12. Ten Largest Foundations of 1979: Growth of Assets and Grants, 1979–1989 9

Large and Small Foundations

Table 13. Analysis of Foundations by Asset Size 9
Table 14. Analysis of Foundations by Grants Range 9
Figure 6. Largest Foundations by Total Grant Dollars and Percentage of 1989 Grants 10
Figure 7. Largest Foundations by Asset Size and Percentage of 1989 Assets 10
Table 15. 50 Largest Foundations by Total Grants 11
Table 16. 50 Largest Foundations by Asset Size 11
Table 17. Four[illegible]ion Staff Positions by Asset Categories 12

Geographic Distribution

Figure 8. Foundation Assets by Region 13
Table 18. Foundation Number and Assets by Region, 1975 and 1989 13
Table 19. Fiscal Data of Grantmaking Foundations by Region and State 14
Table 20. Top 10 States Ranked by Grant Dollars Reported 15

Foundation Development in the 1980s

Figure 9. Number of Grantmaking Foundations, 1975–1989 16
Table 21. Number of Grantmaking Foundations by Type 17
Figure 10. Decade of Establishment of Active Grantmaking Foundations with Assets of at Least $1 Million or Making Grants of $100,000 or More 18
Table 22. Period of Establishment for Foundations by Foundation Type with Aggregate Assets 18
Table 23. Period of Establishment for Foundations by Asset Categories 19
Table 24. Foundations Created in the 1980s with Assets of $50 Million or More 19
Table 25. Foundations Created in the 1980s with Grants of $5 Million or More 20
Table 26. Creation Rate of Larger Foundations 21
Table 27. Foundation Births by Year for Larger Foundations 21
Figure 11. Establishment of Larger Foundations by Year, 1970–1988 22
Table 28. Number of Larger Foundations Created per Year after 1969 and Aggregate Assets 22

GIVING AND GROWTH OF INDEPENDENT, CORPORATE & COMMUNITY FOUNDATIONS

Figure 12. General Characteristics of Four Types of Foundations 24

Independent Foundations
Table 29. Analysis of Independent Foundations by Grants 25
Table 30. Analysis of Independent Foundations by Assets 25
Table 31. 50 Largest Independent Foundations by Total Grants 26
Table 32. 50 Largest Independent Foundations by Asset Size 26
Table 33. Largest Independent Foundations by Gifts Received 27
Table 34. Growth of Larger Independent Foundation Grants and Assets, 1975–1989 27

Corporate Foundations
Table 35. Analysis of Corporate Foundations by Grants 28
Table 36. Analysis of Corporate Foundations by Assets 28
Table 37. 50 Largest Corporate Foundations by Total Grants 29
Table 38. 50 Largest Corporate Foundations by Asset Size 30
Table 39. Largest Corporate Foundations by Gifts Received 30
Table 40. Growth of Larger Corporate Foundation Grants and Assets, 1975–1989 31

Community Foundations
Table 41. Analysis of Community Foundations by Grants 32
Table 42. Analysis of Community Foundations by Assets 32
Table 43. 25 Largest Community Foundations by Total Grants 33
Table 44. 25 Largest Community Foundations by Asset Size 33
Table 45. Largest Community Foundations by Gifts Received 34
Table 46. Growth of Larger Community Foundation Grants and Assets, 1975–1989 35

FOUNDATIONS' SHARE OF PRIVATE PHILANTHROPY

Figure 13. 1989 Private Philanthropic Giving 37
Table 47. Percentage of Private Philanthropic Giving by Source, 1965–1989 38
Table 48. Percentage Distribution of Annual Sources of Support for Independent Sector Organizations, 1987 38

TRENDS IN GIVING: 1989 AND THE DECADE

Figure 14. Summary of the 25 National Taxonomy of Exempt Entities (NTEE) Major Field Areas 42
Figure 15. Domestic and Foreign Grant Dollars, 1989 43
Table 49. Domestic and Foreign Giving, 1980 and 1989 43

Subject Focus
Table 50. General Foundation Funding Trends, 1989 44
Figure 16. Grants by Major Subject Categories, 1989 44
Figure 17. Major Funding Trends, 1979–1988 45
Figure 18. Human Services, Giving to Subcategories, 1989 45
Figure 19. Public/Society Benefit, Giving to Subcategories, 1989 46
Figure 20. Environment/Animals & Wildlife, Giving to Subcategories, 1989 46
Table 51. Distribution of Grants by Subject Categories 47
Figure 21. Education, Giving to Subcategories, 1989 48
Figure 22. Health, Giving to Subcategories, 1989 49
Figure 23. Arts, Culture & Humanities, Giving to Subcategories, 1989 49
Figure 24. Science & Social Science, Giving to Subcategories, 1989 50
Figure 25. International Affairs, Development and Peace, Giving to Subcategories, 1989 51

Recipient Organization Type
Figure 26. Major Recipient Organization Types, 1989 51
Figure 27. Major Recipient Types, 1980–1988 52
Table 52. Distribution of Grants by Recipient Organization Type 53

Types of Support
Figure 28. Major Types of Support, 1989 54
Table 53. Type of Support Awarded 54
Figure 29. Program, Capital and General Support Grant Dollars, 1980–1989 55
Figure 30. Program, Capital and General Support Grants, 1980–1989 55

Special Populations
Table 54. Grants Designated for Special Population Groups, 1989 56
Figure 31. Major Grant beneficiaries, 1980–1989 57

Giving Trends of the 100 Largest Foundations
Table 55. Subject Focus of Grants by Size of Foundation, 1989 58
Figure 32. Funding Trends of 100 Largest Foundations, 1989 59
Table 56. Distribution of Grants by Recipient Organization Type and Size of Foundation 60

Giving Trends by Foundation Type
Table 57. Distribution of Grant Dollars by Foundation Type 61
Figure 33. Funding Trends of Independent, Corporate and Community Foundations, 1989 61
Table 58. Subject Focus of Grant Dollars by Foundation Type 62
Table 59. Distribution of Grants by Three Foundation Types and 34 Recipient Types 63
Table 60. Distribution of Grants by Foundation Type and by Type of Support Awarded 64

FINDING OUT ABOUT FOUNDATIONS

Foundation Reporting
Table 61. Foundations Issuing Annual Reports or Other Publications, 1977–1990 67
Figure 34. Foundations Issuing Annual Reports or Other Publications, 1990 68
Table 62. Foundations Issuing Annual Reports and Other Publications by Foundation Type and Size 68
Figure 35. Large and Small Foundations Publishing Annual Reports 69
Table 63. Reporting by Foundations with at least $25 Million in Assets, 1977–1990 69
Figure 36. 1989 Grant and Asset Dollars Reported in Annual Reports 70

Foreword

In the 1990s research on the nonprofit sector can be expected to intensify and with it a demand for reliable and more accessible statistical information. Not only are philanthropy research centers proliferating and maturing in this country—there are over 26 academic centers or programs according to the Independent Sector's most recent census—but a network of international scholars has developed leading to a new emphasis on the sharing of comparative data on philanthropy.

Since 1972, with the establishment of the first comprehensive database on private and community foundations, the Foundation Center has made a sustained contribution to national efforts to measure and describe U.S. philanthropy. That capacity was greatly enhanced when the Center began to index grants of the largest foundations. For the first time a statistical profile of grant distribution patterns was drawn and trends could be monitored over time.

Foundation Giving is the Center's latest effort to provide an informed analysis of foundation giving and thereby add to an understanding of the role that foundations play in the nonprofit sector. It brings together for the first time in one volume a summary of foundation data collected by the Center going back to 1975, including statistics on foundation number, types of foundations, grants, assets, gifts received, establishment of new foundations, and foundation reporting.

While concentrating on giving trends of the most recent year, *Foundation Giving* also compares funding patterns over ten years; it examines changes in subject fields, types of support, recipient organizations, and giving to special population groups. Most important for future research, it introduces the Center's new grants classification system, based on a national taxonomy for classifying nonprofit organizations. The taxonomy provides a unifying tool for organizations engaged in mapping and measuring the sector. With it we can greatly improve reporting on giving trends.

This is the first edition of *Foundation Giving*. As the Center continues to expand its capacity to collect and analyze data on foundations and corporate philanthropy, we expect the publication to evolve and provide an ever broader yet more focused picture of private grantmaking.

Loren Renz
Director of Research

Executive Summary

Summary Statistics	*1989*	*1988*
All Foundations		
No. of Foundations:	31,990	30,338
Total Grants: (mil)	$ 7,911	$ 7,415
Total Assets: (mil)	$137,538	$122,083
Gifts Received: (mil)	$ 5,522	$ 5,159
Independents		
No. of Foundations:	28,675	27,411
Total Grants: (mil)	$ 5,992	$ 5,590
Total Assets: (mil)	$117,941	$104,403
Gifts Received: (mil)	$ 3,668	$ 3,301
Corporates		
No. of Foundations:	1,587	1,449
Total Grants: (mil)	$1,366	$1,267
Total Assets: (mil)	$5,727	$5,101
Gifts Received: (mil)	$1,112	$1,226
Community		
No. of Foundations:	282	256
Total Grants: (mil)	$ 427	$ 405
Total Assets: (mil)	$6,002	$4,938
Gifts Received: (mil)	$ 554	$ 428

1989 GIVING AND GROWTH

The nation's 32,000 grantmaking foundations contributed $7.9 billion in grants in 1989, up by 6.7 percent or nearly $500 million from 1988. When adjusted for inflation, growth was only 2 percent. Giving as a percent of assets dropped to 5.75 percent. Among the 25 largest foundations, growth of giving averaged out to 14 percent, reflecting new program expansion for some and a return to higher grant levels for a few that had reduced spending in 1988. Among corporate foundations, despite a drop in corporate profits, giving outpaced inflation; overall it rose by 8 percent. Cautionary note: the gap between grants paid out by corporate foundations in 1989 and new gifts from companies to their foundations reached $255 million (23 percent), the largest gap since the recession of the early 1980s.

FUTURE OUTLOOK

Short-term: Solid asset value gains in 1989 of 13 percent for independent foundations and 21 percent for community foundations, new gifts to endowments of $5.5 billion, and a fairly stable stock market, all signal higher levels of growth in grants programs in 1990. Corporate foundation giving is not likely to keep pace as long as payout exceeds pay-in and corporate profits are down. For the short term, however, corporate foundation asset reserves will continue to buffer nonprofits from fluctuations in corporate giving budgets.

Long-term: The jump in the formation rate of independent foundations in the 1980s and the very strong growth of community foundation assets and gifts received adds great potential for growth into the 1990s and beyond. Most new foundations are small when first formed. Over the next decade as estates of the donors are settled, these endowments will greatly enrich the asset base of independent and community foundations and strengthen the capacity of foundations to invest in nonprofit organizations.

In corporate philanthropy, more companies are forming foundations, but long-term growth depends largely on corporate profits and the health of the economy.

Foundation Formation Sets Records in 1980s: When data collection for the 1980s is complete (around 1993), the number of mid-sized or large foundations formed in the 1980s is expected to exceed the number created in the 1950s, the peak establishment decade up to now. The Center estimates that over 2,000 foundations with assets of $1 million or more or grants of at least $100,000 were formed in the 1980s. Nearly 1,700 have been identified through year-end 1986-87, compared with only 865 created in the 1970s.

TRENDS IN GIVING, 1989

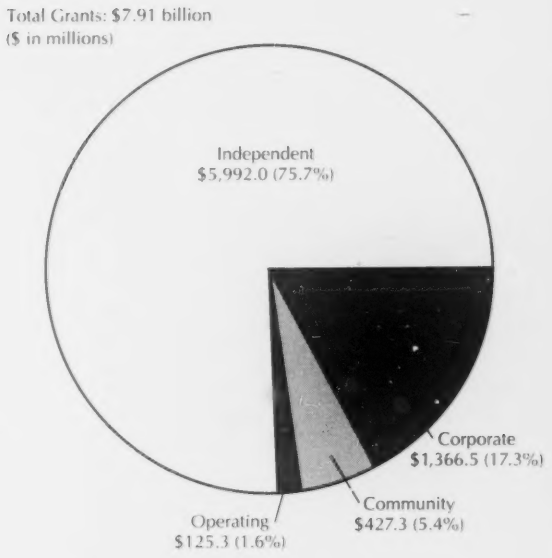
The following data derive from an analysis of 46,000 grants of $5,000 or more made by a core group of 472 foundations, including the 100 largest ranked by grants. Giving by these foundations totals about 43 percent of all foundation grant dollars.

Subject Focus of 1989 Grants

	% of Grant Dollars	*% of Grants*
Education	22	22
Health	17	12
Human Services	15	23
Arts & Humanities	14	17
Science & Social Science	11	6
Public/Society Benefit	10	11
Environment/Animals & Wildlife	5	4
International Affairs	4	3
Religion	1	2
Total	100%	100%
Types of Support Awarded*		
Program Support	47	43
Capital Support	26	14
Research	14	7
General Support	11	16
Student Aid	6	6
Other	2	1

**Due to multipurpose grants, figures do not add up to 100%*

FIGURE 1. 1989 FOUNDATION GRANTS BY FOUNDATION TYPE



GRANTS ANALYSIS

- Foundations continue to provide strong support for education and libraries (22 percent); while higher education and professional education receive far more than elementary and secondary education or related educational services, growth in funding was strongest in precollegiate and educational suppport programs.
- Within the health field (17.3 percent), funding for mental health has increased along with support for prevention and treatment of specific diseases, such as AIDS.
- Foundations devoted 15 percent of grant dollars for human service programs, nearly half of which supported multipurpose service agencies.
- More than half of total funds allocated for Public/Society Benefit supported community improvement and development, which includes funding for urban and rural economic development and federated giving campaigns. This is a trend that developed in the 1980s.
- Foundations' share of support for the protection of the environment and wildlife jumped to nearly 5 percent of grant dollars in 1989, up by one-fourth, and the number of large grants awarded in this field increased significantly.
- Within the arts, support for theatre and dance, music, and media and communications increased. Overall the share of giving for the arts (14 percent) did not change.
- Foundations favored program support over other types of support in 1989. Program support reached a five-year high, representing 46 percent of grant dollars and 43 percent of the number of grants reported. Much of this funding was to support ongoing programs; only a small percentage funded startup of new programs.
- Among special beneficiaries, nearly 14 percent of grant dollars were targeted to programs for children and youth; 7 percent to programs for minorities; and 5 percent to programs specially benefitting woman's organizations or programs for girls and women.

Foundation Giving and Growth

The State of Foundations

In the introduction to the 1981 edition of *The Foundation Directory*, Thomas R. Buckman, president of the Foundation Center, voiced the concerns of many in the philanthropic community as he summed up the state of private and community foundations at the start of the 1980s:

> To be effective supporters of organizations in the non-profit voluntary sector, foundations must maintain their giving power. Inflation, government regulation of minimum annual payout, and limitation of deductibility when new gifts to endowments are made all tend to decrease the ability of foundations to give today while maintaining a sufficient asset base to sustain future grantmaking capability. The result is decline, or at best, stagnation.

A decade later, the prospects for foundations are considerably brighter on many counts: annual giving has increased from $2.8 billion to nearly $8 billion; assets have risen from $41.6 billion to $137.6 billion; and most important, many thousands of new foundations established in the 1980s have added significant resources to organized philanthropy that will strengthen the nonprofit sector in the 1990s.

This report concentrates on foundations in 1989 and examines all the vital indicators of sustained growth—grants, assets, new gifts to endowments, newly large foundations, and new foundation formation. Yet throughout, in sizing up the current state of foundations, it looks back to the forces that shaped the decade, including the ever greater demands placed on private dollars by the shrinking role of government. "We need not wonder any longer if foundations will survive into the twenty-first century," Buckman wrote recently. "Rather, we should ask what we expect from them, and what may happen."[1]

1989 Grants, Assets, Gifts Received

In 1989 the nation's 32,000 grantmaking foundations contributed $7.9 billion in total grants, up by 6.7 percent, or nearly $500 million, from 1988 (Figure 1 and Table 1).

[1] Thomas R. Buckman, "Foundations in the Nineties," *Foundation Fundamentals*. Ed. by Judith Margolin, The Foundation Center, 1991.

In inflation-adjusted dollars the increase was reduced to only 1.9 percent, the smallest real gain in foundation giving since 1983. The drop in the growth rate was anticipated. Following the dramatic fall in securities values in late 1987, which effectively erased asset gains of that year, giving in 1988 had nonetheless increased by a solid ll percent, as foundations made good on long-term commitments and pledges. By 1989, though not contracting,

FIGURE 1. 1989 FOUNDATION GRANTS BY FOUNDATION TYPE

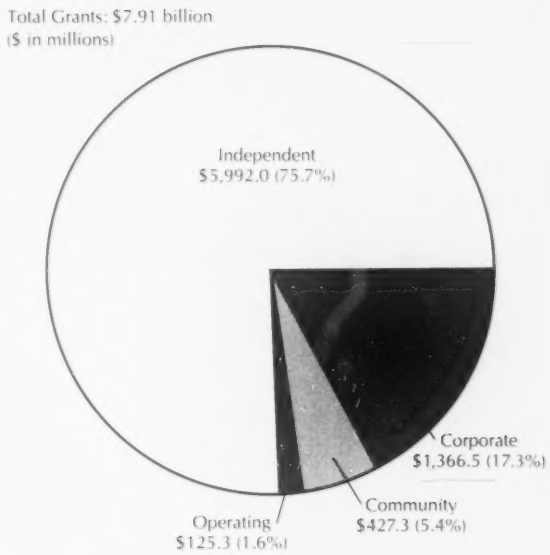


TABLE 1. COMPARISON OF 1989 TO 1988 GRANTS*

Foundation Type	1988	1989	% change
Independent	$5,589.7	$5,992.0	7.2%
Corporate	1,267.1	1,366.5	7.8
Community	405.4	427.3	5.4
Operating	153.5	125.3	(18.3)
Total	**$7,415.7**	**$7,911.1**	**6.7%**

Source: Foundation Center, December 1990.
*Dollar amounts in millions; grants include all charitable contributions except loans and program expenses.

grant levels were adjusted to balance higher payout rates of the preceding year. The lower growth rate also reflected uncertain market conditions and the country's inexorable drift towards economic recession.

Independent foundations, which account for about three-fourths of total giving, increased their grants by some $400 million, up 7.2 percent. Corporate foundation contributions, representing 17 percent of giving, increased by about $100 million, up nearly 8 percent. Among community foundations, which contribute over 5 percent of total giving, grants rose by $22 million or just 5.4 percent. The lower growth rate for community foundations, however, came on the heels of a 29 percent increase in 1988 ($92 million). Grant programs reported by operating foundations actually fell in 1989, although these foundations increased funding for the programs they administer directly.

Grants as a percent of assets, which climbed to 6.1 percent in 1988 for private and community foundations, dropped to 5.75 percent in 1989 (Table 2). If grantmaking operating foundations are excluded, the ratio of grants to assets in 1989 was far higher, 6.2 percent. Total grants do not include all qualifying distributions for some foundations. In addition to grants and contributions in 1989, foundations paid out about $60 million in loans and program-related investments (PRIs), a form of support that gained favor in the 1980s, especially among large foundations active in housing and community development or urban revitalization.

ASSET VALUES RISE TO $137 BILLION

Comparing 1988 and 1989 year-end asset values, growth appears substantially more robust due largely to improved stock performance in late 1989. As a result, the combined assets held by grantmaking foundations climbed from $122 billion in 1988 to $137.5 billion in 1989, up nearly $15.5 billion, or 13 percent (Figure 2 and Table 3). In inflation-adjusted dollars, the increase was 7.5 percent. 1989 growth followed much lower growth in 1988 when assets had increased by only $7 billion. A small fraction of aggregate asset growth resulted from a rise in the number of active grantmaking foundations, a trend examined in depth later in this report.

At 13 percent, gains in aggregate foundation asset values in 1989 fell far short of the over 21 percent stock growth reported for the same period by Standard and Poor's composite index of 500 leading stocks. Asset growth varied widely by foundation size and by type. The largest foundations tended to outperform average asset increases, suggesting that smaller foundations fell far short of the 13 percent aggregate gains reported for the year. While many variables affect asset growth—payout levels and additions to endowments, for example—a gap in investment returns between large and small foundations has been documented in a study of foundation investment performance commissioned by the Council on Foundations.[2]

By foundation type, both independent and corporate foundations registered growth in the 12 to 13 percent range—independent foundation assets rose by $13.5 billion and corporate foundation assets by $600 million. Community foundations experienced record asset value gains of nearly 22 percent, or $1 billion, although a relatively few foundations were responsible for these gains. Trends in growth of independent, corporate, and community foundations are more fully discussed in the following chapter.

[2] Lester M. Salamon and Kenneth P. Voytek, *Managing Foundation Assets: An Analysis of Foundation Investment and Payout Procedures and Performance*, Foundation Center, 1989. Salamon's sequel to the study, *Foundation Investment and Payout Performance: An Update*, was published by the Council on Foundations in 1991. One of the remedies suggested by the report and gaining momentum in 1991 is creation of a pooled or "common fund" of foundation assets. Such a fund could pool the investment resources of a number of foundations and manage them centrally, permitting small- and medium-sized foundations to benefit from expert management at a lower cost than is now possible.

TABLE 2. AGGREGATE FISCAL DATA BY FOUNDATION TYPE (Dollars in thousands)

Foundation Type	Number of Foundations	%	Assets	%	Gifts Received	%	Total Grants*	%	Loans
Independent	28,669	89.6	$117,941,264	85.8	$3,667,669	66.4	$5,992,009	75.7	$42,043
Corporate	1,587	5.0	5,727,466	4.2	1,111,687	20.1	1,366,454	17.3	9,975
Community	282	0.9	6,002,047	4.4	553,626	10.0	427,263	5.4	4,085
Operating	1,452	4.5	7,865,172	5.7	189,247	3.4	125,342	1.6	3,575
Total	**31,990**	**100.0%**	**$137,535,950**	**100.0%**	**$5,522,229**	**100.0%**	**$7,911,068**	**100.0%**	**$59,679**

Note: Figures may not add up due to rounding.
* Total grants includes grants, scholarships, and employee matching gifts. It does not include all qualifying distributions, i.e., loans, PRIs, and program or other administrative expenses.

NEW GIFTS TO FOUNDATIONS REACH $5.5 BILLION

Variations in asset growth patterns among foundations are frequently tied to large additions to endowments or to differences between endowed and non-endowed or "pass through" foundations. Grants of endowed foundations are generally paid for out of investment income and principal is left to grow. On the other hand, many corporate foundations or family foundations with living donors maintain only a small asset base. Instead they fund grants from annual gifts.

Overall growth in assets in 1989 was boosted by $5.5 billion in gifts to endowed and non-endowed foundations (Figure 3 and Table 4). Between 1988 and 1989 aggregate gifts received rose by 7 percent, or under $400 million, while grants rose by $500 million. When adjusted for inflation, gifts received actually declined by over 3 percent.

Gifts to independent foundations rose by $366 million, or 11 percent, consistent with asset growth levels reported earlier. Gifts from corporations to their foundations showed a precipitous drop of nearly $115 million, or (9) percent. Corporations paid in $1.1 billion to their foundations while payout in the form of grants, scholarships, and employee matching gifts reached $1.37 billion. As a result, payout exceeded pay-in by $225 million or 23 percent, the largest percentage gap since 1983. For community foundations, additions to endowments increased from $428 to $554 million, up 22.7 percent, contributing significantly to the 22 percent asset growth noted above. Unlike contributions from companies to their foundations, gifts to community foundations exceeded grants by nearly $125 million.

FIGURE 2. 1989 ASSETS BY FOUNDATION TYPE

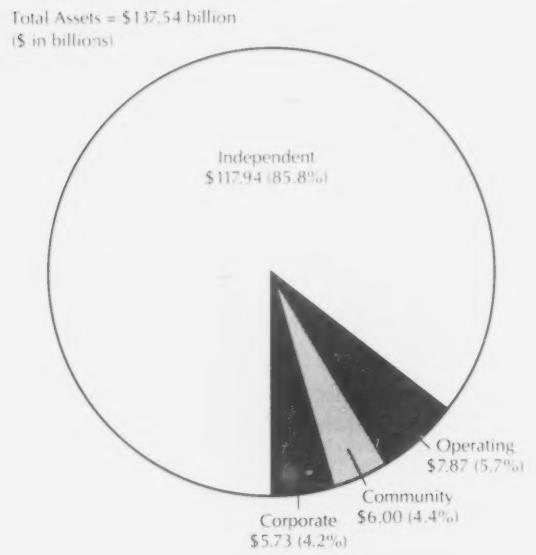


FIGURE 3. 1989 GIFTS RECEIVED BY FOUNDATION TYPE

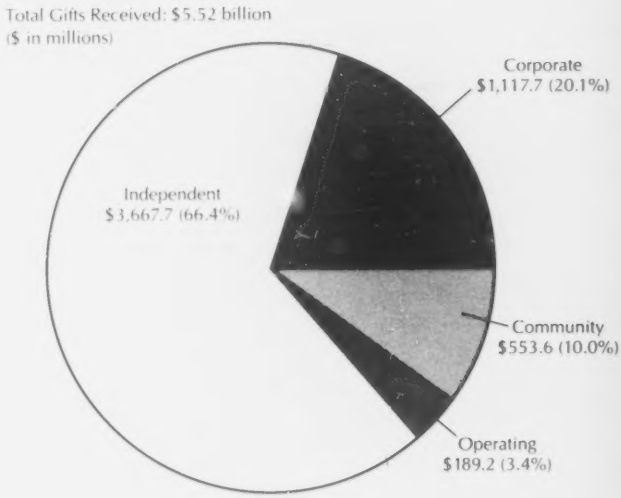


TABLE 3. COMPARISON OF 1989 TO 1988 ASSETS*

Foundation Type	1988	1989	% change
Independent	$104.40	$117.94	13.0%
Corporate	5.10	5.73	12.3
Community	4.94	6.00	21.5
Operating	7.64	7.87	2.9
Total	**$122.08**	**$137.54**	**12.7%**

Source: Foundation Center, December 1990.
*Dollar amounts in billions; assets at market value.

TABLE 4. COMPARISON OF 1989 TO 1988 GIFTS RECEIVED*

Foundation Type	1988	1989	% change
Independent	$3,301.3	$3,667.7	11.1%
Corporate	1,225.8	1,111.7	(9.3)
Community	427.9	553.6	22.7
Operating	204.2	189.2	(7.3)
Total	**$5,159.1**	**$5,522.2**	**7.0%**

Source: Foundation Center, December 1990.
*Dollar amounts in millions

CHANGES IN GRANTS AND ASSETS OF THE LARGEST FOUNDATIONS

A comparison of grants and assets of the 25 largest private and community foundations in 1988 and in 1989 (Tables 5 and 6) reveals on the whole far stronger gains than the averages reported above.

Grants. Between 1988 and 1989 the combined value of grant programs of the nation's leading foundations ranked by grants rose by 14 percent or double the 6.7 percent increase reported for all 32,000 grantmaking foundations. Together these 25 foundations accounted for about $174 million in increased giving or fully 36 percent of all gains.

Table 5 reveals wide variations in growth of giving by individual foundations and includes for some foundations recovery from drops in giving in 1988 after widespread asset losses sustained in 1987. Fourteen of the 25 foundations listed showed increases in contributions paid of over 12 percent. One-third of the largest foundations reported increases below the 6.7 percent level. The largest percentage increases included:

- The David and Lucile Packard Foundation (CA), up from $10.7 million to $27.7 million (158 percent); the sharp increase came after new gifts from the founder valued at $127 million.
- The Charles Stewart Mott Foundation (MI), up from $23.8 million to $43.8 million (84 percent); grants had dropped over $9 million in 1988, thus, nearly half of the increase was actually recovery from earlier reductions.
- The Moody Foundation (TX), up from $15.4 million to $24.1 million (60 percent); the rise in grants reflected the foundation's recovery of asset values after a $100 million drop in 1987.
- Andrew Mellon Foundation (NY), up from $59.8 million to $75.7 million (26 percent); grants had dropped by $7.5 million between 1987 and 1988, so half the increase was actually not new growth.
- Chicago Community Trust (IL), up from $22 million to $26 million (19 percent); higher grants reflected the foundation's 14 percent increase in asset values, including new gifts of $9 million.
- Rockefeller Foundation (NY), up from $55.7 million to $65.7 million (18 percent); grant levels were still under the $70.8 million peak paid out in 1987.

The ranking of the ten largest foundations by grants changed little; among the top 25, due to the exceptionally large increases noted above, the Charles Stewart Mott Foundation and the David and Lucile Packard Foundation advanced measurably in rank.

TABLE 5. COMPARISON OF GRANTS OF THE 25 LARGEST FOUNDATIONS, 1988–1989 (Dollars in thousands)

Foundation	Grants '88	Grants '89	% Change	Rank '88
1. Ford Foundation	$184,126	$217,669	18.2%	1
2. Pew Charitable Trusts	135,906	137,084	0.9	2
3. John D. and Catherine T. MacArthur Foundation	103,600	117,298	13.2	4
4. W. K. Kellogg Foundation	105,059	106,948	1.8	3
5. Robert Wood Johnson Foundation	87,552	98,600	12.6	5
6. Lilly Endowment	79,651	92,510	16.1	6
7. Andrew W. Mellon Foundation	59,795	75,501	26.3	7
8. Rockefeller Foundation	55,668	65,718	18.1	8
9. Kresge Foundation	53,080	55,645	4.8	9
10. New York Community Trust	42,816	46,423	8.4	13
11. Duke Endowment	43,194	45,941	6.4	12
12. Charles Stewart Mott Foundation	23,823	43,796	83.8	27
13. Lucille P. Markey Charitable Trust	37,618	43,116	14.6	14
14. Carnegie Corporation of New York	37,016	39,306	6.2	15
15. Houston Endowment	35,966	37,402	4.0	16
16. William and Flora Hewlett Foundation	31,925	36,970	15.8	19
17. W. M. Keck Foundation	34,016	35,286	3.7	17
18. McKnight Foundation	33,520	31,962	(4.7)	18
19. AT&T Foundation	30,303	30,427	0.4	20
20. General Motors Foundation	25,262	29,945	16.6	23
21. David and Lucile Packard Foundation	10,734	27,676	157.8	91
22. Cleveland Foundation	24,113	27,561	14.3	26
23. Chicago Community Trust	22,005	26,210	19.1	32
24. William Penn Foundation	23,295	25,491	9.4	28
25. Moody Foundation	15,460	24,097	55.9	52

Assets. Combined asset growth for the 25 largest foundations, up 24 percent between 1988 and 1989, nearly doubled the rate of asset growth of all grantmaking foundations. Together these foundations accounted for over $8.5 billion in increased assets or 55 percent of asset growth of all grantmaking foundations. Of the 25 largest foundations, 18 showed asset growth of at least 15 percent; 11 reported increases in excess of 20 percent. Ranked by percentages, the largest increases were reported by:

- The Robert W. Woodruff Foundation (GA) up from $194 million to $755.7 million (289 percent), including gifts from the donor's estate valued at $192 million.
- Harry and Jeanette Weinberg Foundation (MD), up from $355.7 million to $652.8 million (84 percent), including gifts of $21 million.
- Lilly Endowment (IN), up from $2.1 billion to $3.3 billion (57 percent).
- Starr Foundation (NY), up from $464.8 million to $687.3 million (48 percent).
- W. K. Kellogg Foundation (MI), up from $3.2 billion to $4.2 billion (33 percent), based largely on an increase in the value of Kellogg Company common stock from $2.4 billion to nearly $3.2 billion.

TABLE 6. COMPARISON OF ASSETS OF THE 25 LARGEST FOUNDATIONS, 1988–1989 (Dollars in thousands)

Foundation	Assets '88	Assets '89	% Change	Rank '88
1. Ford Foundation	$5,037,728	$5,832,426	15.8	1
2. J. Paul Getty Foundation	3,982,185	4,520,456	13.5	2
3. W. K. Kellogg Foundation	3,162,546	4,201,240	32.8	3
4. Lilly Endowment	2,141,490	3,357,904	56.8	6
5. Pew Charitable Trusts	2,519,747	3,321,891	31.8	5
6. John D. And Catherine T. MacArthur Foundation	2,837,000	3,243,000	14.3	4
7. Robert Wood Johnson Foundation	2,054,534	2,608,347	27.0	7
8. Rockefeller Foundation	1,832,347	2,140,245	17.0	8
9. Andrew W. Mellon Foundation	1,558,000	1,832,347	17.6	9
10. Kresge Foundation	1,097,330	1,261,106	14.9	10
11. Duke Endowment	827,450	990,836	19.7	12
12. Charles Stewart Mott Foundation	838,816	961,114	14.6	11
13. McKnight Foundation	793,403	917,642	15.7	14
14. Carnegie Corporation of New York	803,405	905,106	12.7	13
15. Richard King Mellon Foundation	728,518	878,878	20.6	15
16. New York Community Trust	634,967	829,784	30.7	18
17. W. M. Keck Foundation	679,897	764,433	12.4	16
18. Robert W. Woodruff Foundation	194,000	755,690	289.5	81
19. Dewitt Wallace—Reader's Digest Fund	642,954	697,122	8.4	17
20. William and Flora Hewlett Foundation	622,042	687,664	10.5	19
21. Starr Foundation	464,861	687,308	47.9	28
22. Houston Endowment	614,659	681,477	10.9	20
23. Gannett Foundation	547,540	653,019	19.3	21
24. Harry and Jeanette Weinberg Foundation	355,730	652,781	83.9	41
25. Robert R. McCormick Charitable Trust	522,083	630,995	20.9	24

- Pew Charitable Trusts, Pennsylvania, up from $2.5 billion to $3.3 billion (32 percent).

By absolute dollar amount, the largest increase in assets was reported by the top ranking Ford Foundation, up by $795 million, or 10 percent. During the foundation's previous fiscal year, Ford had reported a drop of nearly half a billion in asset values due to the 1987 stock market crash. Ford's grants program in 1989 totaled nearly $218 million, $36 million above 1988 levels but just equal to 1987 levels. Loans or program-related investments came to an additional $11 million.

TABLE 7. NUMBER OF FOUNDATIONS RECEIVING TOTAL GIFTS OF $5 MILLION OR OVER AND AGGREGATE DOLLAR VALUE*

	Amount of Total Gifts Received			
	$5 million or more		$10 million or more	
Foundation Type	No. of Foundations	Amount	No. of Foundations	Amount
Independent	71	$1,773,760	29	$1,497,358
Corporate	63	599,038	22	338,783
Community	30	357,010	12	223,842
Operating	2	57,662	1	47,900
Total	166	$2,787,470	64	$2,107,884

* Dollar figures in thousands; due to rounding, figures may not add up.

As a group foundations listed among the top ten in assets in 1989 were unchanged from 1988. Due to sizable increases in assets of the Lilly Endowment and Pew Charitable Trusts, however, rankings among the top five foundations shifted slightly.

LARGEST NEW GIFTS OF 1989

A very limited number of foundations account for the major share of new gifts or additions to endowments. In 1989, 166 of the nation's 32,000 foundations received at least $5 million in gifts and these gifts totaled $2.8 million or about half the value of total gifts received (Table 7). Of these 166 foundations, only 64 received at least $10 million in gifts and they accounted for 38 percent of all new gifts. Complete listings by foundation type—independent, corporate, and community—of foundations receiving $10 million or more in new gifts are provided in the next section of this report.

In addition to major gifts reported above, some of the largest gifts to U.S. foundations in 1989 included:

- $231.6 million added to the endowment of the Conrad Hilton Foundation (NV), raising assets to $492 million.
- $157.8 million in bequests to the H.N. and Frances C. Berger Foundation (CA), raising assets from only $12 million to $168 million (1989 grants totaled $7 million).
- $127 million in gifts of Hewlett Packard stock and cash from David Packard to the David and Lucile Packard Foundation (CA), raising its assets to $246 million.
- $114 million in gifts from the founder's estate to the Lucille P. Markey Charitable Trust (FL).

The Growth of Foundation Giving: 1975-1989

Figures 4 and 5 and Tables 8 and 9 illustrate growth in foundation grants and assets and the impact of inflation since 1975, the first year for which the Foundation Center reported aggregate data on all grantmaking foundations. Table 10 shows the growth of gifts received, starting with 1978. Finally Table 11 compares the growth of foundations by number, assets, grants, and gifts received over this period. From these various indicators we can construct a profile of foundation growth in the 1980s against a backdrop of changing economic and financial conditions and regulatory patterns.

TABLE 8. GROWTH OF FOUNDATION GRANTS ADJUSTED FOR INFLATION*

Year	Current Grant Dollars			Constant Grant Dollars		
	Amount	% Change	1975=100	Amount	% Change	1975=100
1975	$1.94		100.0	$1.20		100.0
1976	2.23	14.9%	114.6	1.30	8.3%	108.3
1977	2.35	5.3	120.7	1.29	(0.8)	107.5
1978	2.55	8.5	131.0	1.30	0.8	108.3
1979	2.85	11.8	146.4	1.31	0.8	109.1
1980	3.43	20.6	176.6	1.39	6.1	115.8
1981	3.79	10.5	195.1	1.39	0.0	115.8
1982	4.49	18.3	230.8	1.55	11.5	129.2
1983	4.48	(0.2)	230.3	1.50	(3.2)	125.0
1984	5.04	12.6	259.3	1.61	7.3	134.2
1985	6.03	19.5	309.9	1.87	7.9	155.8
1987	6.66	10.5	342.4	1.95	4.3	162.5
1988	7.42	11.3	382.5	2.09	7.2	174.2
1989	7.91	6.7	407.7	2.13	1.9	177.5

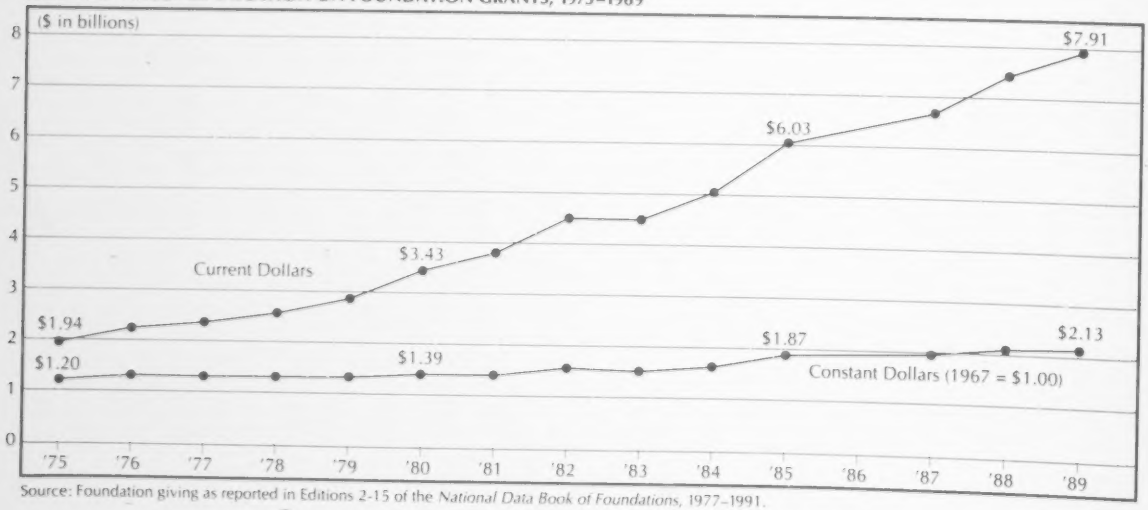
Source: Foundation giving as reported in Editions 2-15 of the *National Data Book of Foundations*, 1977–1990. Dates approximate; reporting years varied. 1986 year not available.
*Dollar figures in billions. Constant dollars based on Consumer Price Index where 1967 = $1.00 and 1989 = $.269. U.S. Department of Labor, Bureau of Labor Statistics.

Foundations started off the new decade in precarious health or at best in stagnation. Their numbers appeared to be diminishing, fewer new philanthropies were being created, and even among the established giants of philanthropy, recession, inflation, and the cumulative impact of ten years of congressional regulation had taken its toll. From 1975 to 1981 the growth of giving exceeded the growth of assets nearly every year, contributing, along with prevailing market conditions, to a shrinking asset base when measured against inflation.

Much of the decline has been attributed to payout requirements imposed under the Tax Reform Act of 1969, a comprehensive body of rules and regulations governing private foundations that has subsequently been modified several times. (See Appendix A, "Regulation of Foundations"). Under modifications introduced in 1976, foundations were required to distribute for charitable purposes all of their adjusted net income or 5 percent of the market value of that year's investment assets, whichever was greater. In the late 1970s, a period of reduced investment income and high inflation, foundations were forced to dig deeply into capital to meet the payout requirement and the real value of assets dropped. In 1981, following intensive lobbying by foundations, Congress lowered the payout rate to a straight 5 percent of assets, a level it has remained at ever since.

By the mid-1980s, further deregulation, lower inflation, higher corporate profits, and soaring stock values had all contributed to a sorely needed reversal of asset decline. Foundations experienced their first real growth

FIGURE 4. EFFECT OF INFLATION ON FOUNDATION GRANTS, 1975–1989



Source: Foundation giving as reported in Editions 2-15 of the *National Data Book of Foundations*, 1977–1991.

TABLE 9. GROWTH OF FOUNDATION ASSETS ADJUSTED FOR INFLATION*

Year	Current Asset Dollars			Constant Asset Dollars		
	Amount	% Change	1975=100	Amount	% Change	1975=100
1975	$ 30.13		100.0	$18.71		100.0
1976	34.78	15.4%	115.4	20.42	9.1%	109.1
1977	35.37	1.7	117.4	19.49	(4.6)	104.2
1978	37.27	5.4	123.7	19.08	(2.1)	102.0
1979	41.59	11.6	138.0	19.17	0.5	102.5
1980	48.17	15.8	159.9	19.56	2.0	104.5
1981	47.57	(1.2)	157.9	17.46	(10.7)	93.3
1982	58.67	23.3	194.7	20.30	16.3	108.5
1983	67.87	15.7	225.3	22.74	12.1	121.6
1984	74.05	9.1	245.8	23.77	4.5	127.0
1985	102.06	37.8	338.7	31.64	33.1	169.1
1987	115.44	13.1	383.2	33.94	7.3	181.4
1988	122.08	5.8	405.2	34.43	1.4	184.0
1989	137.54	12.7	456.5	37.00	7.5	197.8

Source: Foundation assets as reported in Editions 2-15 of the *National Data Book of Foundations*. Dates approximate; reporting years varied. 1986 year not available.

*Dollar figures in billions. Constant dollars based on Consumer Price Index where 1967 = $1.00 and 1989 = $.269. U.S. Department of Labor, Bureau of Labor Statistics.

in more than a decade. The fast rising asset base in turn assured a steady increase in the level of grant programs.

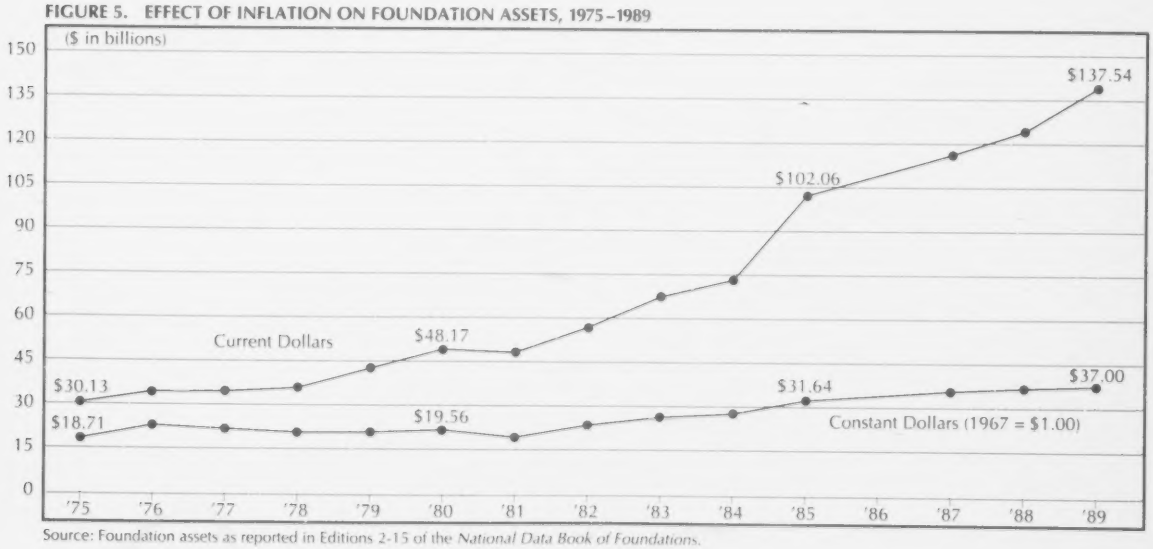
From 1980 to 1989, grants more than doubled, from $3.4 billion to $7.9 billion, while assets tripled from $48.2 billion to $137.5 billion. However, inflation took a big bite out of growth. In constant dollars the giving increase shrinks to 60 percent while asset growth is reduced to 93 percent.

Growth in gifts received is far less predictable from year to year than growth in assets and grants since the largest gifts usually take the form of bequests following the death of a founder. As a result, fluctuations in the total value of gifts received does not reflect a true trend. Still, the growth of gifts from living donors in the 1980s has led to a more stable base of gifts from year to year.

Gifts to foundations increased from $1.98 billion in 1980 to $5.5 billion in 1989, up by 175 percent. In inflation-adjusted dollars, gifts have increased by about 75 percent. Several exceptionally large gifts in the 1980s accounted for major growth of assets. The largest by far was the $1.19 billion bequest left by J. Paul Getty to the J. Paul Getty Trust in California in 1982. An operating foundation concerned primarily with preservation of the Getty art collection, the trust started up a national grants program in arts research and conservation after 1984. Grants in 1989 totaled $12 million.

Gifts or bequests to foundations grew rapidly through 1985-1986 reaching an annual level of $4.7 billion dollars.

FIGURE 5. EFFECT OF INFLATION ON FOUNDATION ASSETS, 1975-1989



Source: Foundation assets as reported in Editions 2-15 of the *National Data Book of Foundations*.

TABLE 10. GROWTH OF GIFTS RECEIVED ADJUSTED FOR INFLATION*

Year	Current Dollars			Constant Dollars		
	Amount	% Change	1978=100	Amount	% Change	1978=100
1978	$1.61		100.0	$ .82		100.0
1979	2.21	37.3%	137.3	1.02	24.4%	124.4
1980	1.98	(10.4)	122.9	80	(21.6)	97.5
1981	2.39	20.7	148.2	.88	10.0	107.3
1982	4.00[1]	67.4	248.1	1.38	56.8	168.3
1983	2.71	(32.3)	167.7	.91	(34.1)	111.0
1984	3.36	24.0	208.1	1.08	18.7	131.7
1985	4.73	40.8	293.8	1.47	36.1	179.3
1987	4.96[2]	4.9	307.1	1.46	(0.7)	178.0
1988	5.16	4.0	319.6	1.46	0.0	178.0
1989	5.52	7.0	342.3	1.41	(3.4)	141.8

Source: Gifts received as reported in Editions 5-15 of the *National Data Book of Foundations*. Dates approximate; reporting years varied. 1986 figures not available.
* Dollar figures in billions. Constant dollars based on Consumer Price Index where 1967 = $1.00 and 1989 = $.269. U.S. Department of Labor, Bureau of Labor Statistics.
[1] Includes $1.194 billion bequest left by J. Paul Getty to the J. Paul Getty Trust in California and a $120 million bequest from the estate of Fred Meyer to the Fred Meyer Charitable Trust (now Meyer Memorial Trust) in Oregon.
[2] Includes $447 million in assets transferred from the San Francisco Foundation to Marin Community Foundation in period ending 6/87.

The growth rate since then has declined sharply, although in 1989 gifts reached the $5.5 billion level. Among family foundations with living donors, the drop in the rate of growth of new gifts may reflect the impact of reductions in personal income tax rates after 1986. In general, higher rates increase incentives for all charitable giving. The notable decline in contributions from companies to their foundations in the late 1980s due to reduced profits and recession was a more tangible cause of lower growth.

GROWTH OF THE LARGEST FOUNDATIONS, 1979-1989

Most of the nation's largest philanthropies today were created and received their principal endowments long ago, thus from decade to decade this group of foundations scarcely changes (see "Foundation Development"). A comparison of the ten largest foundations of 1979 ranked by asset size (Table 6) with the largest funders of 1989 (Table 12) shows that only one foundation has been added and one displaced over the decade. With over $4.5 billion in assets, the J. Paul Getty Trust, endowed in 1982 and described above, now ranks second among private U.S. foundations. The Charles Stewart Mott Foundation, formerly among the top ten, now ranks twelfth.

Among the nine continuous members of the group, the Ford Foundation has consistently ranked first in size; rankings of the other foundations have changed somewhat due to individual patterns of asset growth and additions to endowments. Foundations reporting the largest percentage increase in asset size over the decade (and the corresponding percentage increase in the size of their grant programs) included:

- W. K. Kellogg Foundation (MI), assets increased from $769 million to $4.2 billion (446 percent); asset rank advanced from eighth to third; grants increased from $47 million to $107 million (124 percent).

TABLE 11. NUMBER OF GRANTMAKING FOUNDATIONS, ASSETS, GRANTS, AND GIFTS RECEIVED (Dollars in billions)

Year	Number	1975=100	Assets	1975=100	Grants	1975=100	Gifts Received	1978=100
1989	31,990	146.2	$137.54	456.5	$7.91	407.7	$5.52	342.3
1988	30,338	138.7	122.08	405.2	7.42	382.5	5.16	319.6
1987	27,661	126.4	115.44	383.2	6.66	342.4	4.96	307.1
1985	25,639	117.2	102.06	338.7	6.03	309.9	4.73	293.8
1984	24,859	113.6	74.05	245.8	5.04	259.3	3.36	208.1
1983	24,261	110.8	67.87	225.3	4.48	230.3	2.71	167.7
1982	23,770	108.6	58.67	194.7	4.49	230.8	4.00	248.1
1981	21,967	100.4	47.57	157.9	3.79	195.1	2.39	148.2
1980	22,088	100.9	48.17	159.9	3.43	176.6	1.98	122.9
1979	22,535	103.0	41.59	138.0	2.85	146.4	2.21	137.2
1978	22,484	102.7	37.27	123.7	2.55	131.0	1.61	100.0
1977	22,152	101.2	35.37	117.4	2.35	120.7	—	—
1976	21,447	98.0	34.78	115.4	2.23	114.6	—	—
1975	21,877	100.0	30.13	100.0	1.94	100.0	—	—

Source: *National Data Book of Foundations*, Editions 2-15, 1977–1991. Dates approximate; reporting years varied. 1986 figures not available.
— = not available

TABLE 12. TEN LARGEST FOUNDATIONS OF 1979: GROWTH OF ASSETS AND GRANTS, 1979-1989

Name	Assets		%	'89	Grants		%
	1979	1989	Change	Rank	1979	1989	Change
1. Ford Foundation	$2,782,942	$5,832,426	110%	1	$103,370	$217,669	111%
2. Robert Wood Johnson Foundation	1,027,531	2,608,347	154	7	39,778	98,600	148
3. Andrew W. Mellon Foundation	880,366	1,832,347	108	9	57,884	75,501	30
4. John D. and Catherine T. MacArthur Foundation[1]	862,372	3,243,000	276	6	2,264[1]	117,298	—
5. Pew Memorial Trust[2]	829,977	3,321,890	—	5	41,467	137,084	—
6. Lilly Endowment	812,877	3,357,904	313	4	20,703	92,510	347
7. Rockefeller Foundation	805,572	2,140,245	166	8	44,118	65,718	49
8. W. K. Kellogg Foundation	769,110	4,201,240	446	3	47,671	106,948	124
9. Kresge Foundation	655,408	1,261,100	92	10	29,768	55,645	87
10. Charles Stewart Mott Foundation	407,115	961,114	136	12	28,938	43,796	51

Source: *The Foundation Directory*, 8th Edition, 1981, and the Foundation Center database, 1991.
— = percentage increases not applicable.
[1] The John D. and Catherine T. MacArthur Foundation grantmaking program started up in 1979; in 1981 grants totaled nearly $58 million.
[2] 1989 fiscal information represents combined assets and grants of the seven Pew Charitable Trusts, consolidated in 1987.

- Lilly Endowment (IN), assets increased from $813 million to $3.4 billion (313 percent); asset rank changed from sixth to fourth; grants increased from $20 million to $92.5 million (347 percent).

- John D. and Catherine T. MacArthur Foundation (IL), assets increased from $862 million to $3.2 billion (276 percent); asset rank moved from fourth to sixth; grants increased from $2 million (start up of grants program) to $117 million. Unlike the other top ranked funders, MacArthur had just been established and endowed at the close of the 1970s.

For most of the remaining top ten foundations, asset values in 1989 were one to one-and-one-half times larger than values in 1979. Growth of grant programs ranged from 30 percent to 150 percent.

Large and Small Foundations

Of the nearly 32,000 active grantmaking foundations, only around 7,500 (24 percent) held assets of $1 million or more in 1989 (Table 13). This relatively small number of foundations accounted for 96 percent of total foundation assets and 87 percent of total foundation grant dollars awarded in that year. The number of large or very large foundations—those with assets of $50 million or over—increased from 319 in 1988 to to 362 in 1989. This group held nearly two-thirds of assets and were responsible for 46 percent of all grant dollars. The smallest foundations—those nearly 24,500 with assets of less than $1 million—hold only 5 percent of assets but account for 13 percent of giving.

A different yet equally important measure of foundations, especially for corporate or non-endowed foundations, is by the size of their grant programs. As illustrated in Table 14, only 112 foundations (less than one percent) reported total grants of $10 million or over, yet together they accounted for about 36 percent of giving. Some 6,800 foundations (21 percent) awarded $100,000 or more in grants; their combined grants represented nearly 93 percent of giving.

TABLE 14. ANALYSIS OF FOUNDATIONS BY GRANTS RANGE*

Grants Range	Number of Foundations	%	Grants	%
$10 million +	112	0.4	$2.8	35.7
$1 million–$10 million	1,083	3.3	2.9	36.5
$100,000–$1 million	5,586	17.5	1.7	20.9
Under $100,000	25,209	78.8	0.5	6.9
Total	**31,990**	**100.0%**	**$7.9**	**100.0%**

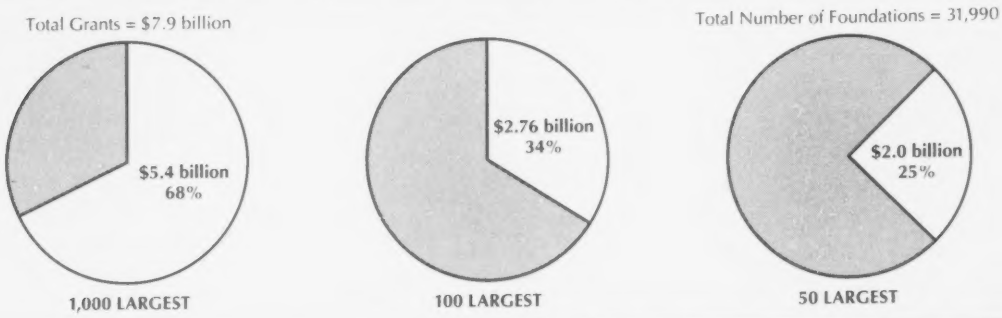
*Dollar figures in billions; due to rounding, figures may not add up.

TABLE 13. ANALYSIS OF FOUNDATIONS BY ASSET SIZE*

Asset Range	Number of Foundations	%	Assets	%	Grants	%
$50 million +	362	1.1	$ 90.6	65.8	$3.6	45.9
$10 million–$50 million	1,114	3.5	22.8	16.6	1.6	19.9
$1 million–$10 million	6,082	19.0	18.9	13.7	1.6	21.0
Under $1 million	24,432	76.4	5.2	3.8	1.0	13.1
Total	**31,990**	**100.0%**	**$137.5**	**100.0%**	**$7.9**	**100.0%**

*Dollar figures in billions; due to rounding, figures may not add up.

FIGURE 6. LARGEST FOUNDATIONS BY TOTAL GRANT DOLLARS AND PERCENTAGE OF 1989 GRANTS



Figures 6 and 7 demonstrate the share of assets or grants held in 1989 by commonly defined groups of foundations, notably the 1,000 largest, the 100 largest, and the 50 largest. When comparing the two charts, it is clear that total assets are concentrated among even fewer large foundations than are total grants. For example, the 1,000 largest foundations measured by asset size control fully three-fourths of assets, while the 1,000 largest by size of grant program contribute just over two-thirds of all grant dollars. The spread becomes more accentuated as the group size contracts. The 100 largest by asset size control one-half of asset dollars; the 100 largest ranked by grants contribute just over one-third of grant dollars. Finally, the 50 largest by assets hold two-fifths of assets, while the 50 largest by grants distribute one-fourth of grant dollars.

Because they represent such a substantial portion of funds, the largest foundations are important to identify and to analyze. Viewed as a body, their grant programs demonstrate significant trends in philanthropy. Analyses of the 1,000 largest foundations may be tracked through the Foundation Center's *Source Book Profiles*. Grants of the 100 largest foundations and of 375 representative foundations are analyzed later in this report in "Trends in Giving," while a complete listing of their grants of $5,000 or over is reported annually in the *Foundation Grants Index*. Finally, rankings of the 50 largest foundations by grants and by assets are presented here in Tables 15 and 16.

There are significant differences between these few larger foundations and the vast majority of private foundations, most importantly:

Staffing. Larger foundations are more likely to have paid staff who review and investigate proposals, develop projects, and work with the public. From surveys of some 7,400 foundations conducted by the Foundation Center, only about 1,800 respondents reported paid staff. Only 13 percent of foundations with assets lower than $5 million reported paid staff. Table 17 shows the average number of staff by asset size category of foundations.

When median staff size was examined, more than one-half of staffed foundations reported staff of two or fewer while only about one-fourth reported staff larger than

FIGURE 7. LARGEST FOUNDATIONS BY ASSET SIZE AND PERCENTAGE OF 1989 ASSETS

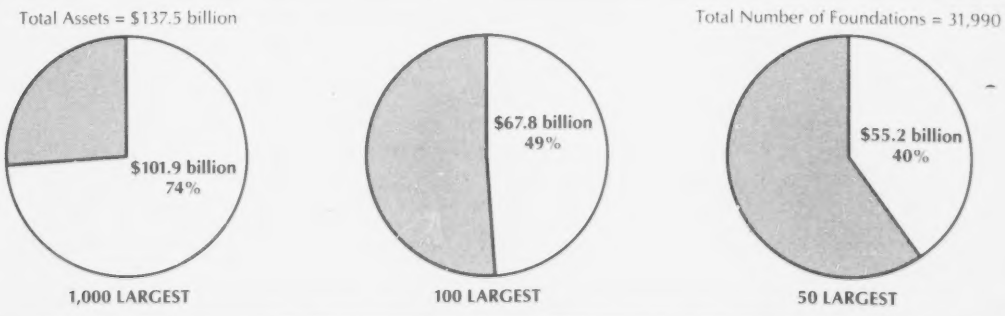


TABLE 15. 50 LARGEST FOUNDATIONS BY TOTAL GRANTS*

Foundation	Grants*	Assets	Fiscal Date
1. Ford Foundation	**$217,669,414**	$5,832,426,000	09/30/89
2. Pew Charitable Trusts	**137,083,529**	3,321,890,529	12/31/89
3. John D. and Catherine T. MacArthur Foundation	**117,298,000**	3,243,000,000	12/31/89
4. W. K. Kellogg Foundation	**106,948,094**	4,201,240,259	08/31/89
5. Robert Wood Johnson Foundation	**98,600,000**	2,608,347,000	12/31/89
6. Lilly Endowment	**92,510,387**	3,357,904,453	12/31/89
7. Andrew W. Mellon Foundation	**75,501,129**	1,832,347,000	12/31/89
8. Rockefeller Foundation	**65,717,663**	2,140,244,924	12/31/89
9. Kresge Foundation	**55,645,000**	1,261,100,053	12/31/89
10. New York Community Trust	**46,422,562**	829,783,809	12/31/89
11. Duke Endowment	**45,904,739**	990,835,850	12/31/89
12. Charles Stewart Mott Foundation	**43,795,989**	961,114,454	12/31/89
13. Lucille P. Markey Charitable Trust	**43,115,626**	215,460,532	06/30/89
14. Carnegie Corporation of New York	**39,306,029**	905,106,313	09/30/89
15. Houston Endowment	**37,401,700**	681,477,402	12/31/89
16. William and Flora Hewlett Foundation	**36,970,028**	687,664,000	12/31/89
17. W. M. Keck Foundation	**35,286,000**	764,433,113	12/31/89
18. McKnight Foundation	**31,961,975**	917,641,548	12/31/89
19. AT&T Foundation	**30,426,888**	126,766,000	12/31/89
20. General Motors Foundation	**29,944,973**	161,872,008	12/31/89
21. David and Lucile Packard Foundation	**27,675,502**	245,887,758	12/31/89
22. Cleveland Foundation	**27,560,926**	579,897,967	12/31/89
23. Chicago Community Trust	**26,210,194**	316,431,057	09/30/89
24. William Penn Foundation	**25,491,488**	470,442,587	12/31/89
25. Moody Foundation	**24,097,184**	442,760,000	12/31/89
26. Amoco Foundation	**23,991,838**	68,480,472	12/31/89
27. Ford Motor Company Fund	**23,301,862**	82,532,360	12/31/89
28. Gannett Foundation	**22,521,000**	653,019,100	12/31/89
29. Harry and Jeanette Weinberg Foundation	**21,610,699**	652,781,387	02/28/90
30. Communities Foundation of Texas	**21,499,977**	152,028,702	06/30/89
31. Marin Community Foundation	**21,385,000**	456,903,000	06/30/89
32. Brown Foundation	**21,090,350**	413,019,005	06/30/89
33. Lynde and Harry Bradley Foundation	**20,583,373**	375,854,838	07/31/89
34. Aaron Diamond Foundation	**20,558,915**	116,423,129	12/31/89
35. James Irvine Foundation	**20,487,000**	540,000,000	12/31/89
36. Ahmanson Foundation	**20,150,353**	437,995,000	10/31/89
37. Robert R. McCormick Charitable Trust	**19,904,476**	630,994,902	12/31/89
38. Starr Foundation	**19,759,351**	687,307,919	12/31/89
39. US WEST Foundation	**19,708,234**	6,069,021	12/31/89
40. Henry Luce Foundation	**19,589,345**	419,279,061	12/31/89
41. Edna McConnell Clark Foundation	**19,551,226**	414,258,000	09/30/89
42. Arnold and Mabel Beckman Foundation	**19,343,124**	179,263,236	08/31/89
43. General Electric Foundation	**18,834,164**	32,613,000	12/31/89
44. J. E. and L. E. Mabee Foundation	**18,664,903**	494,281,654	08/31/89
45. Meadows Foundation	**18,608,011**	476,217,532	12/31/89
46. Xerox Foundation	**18,500,000**	18,500,000	12/31/89
47. Exxon Education Foundation	**18,233,815**	42,621,000	12/31/89
48. Surdna Foundation	**18,205,839**	312,534,326	06/30/89
49. Weingart Foundation	**18,136,124**	404,198,697	06/30/89
50. GTE Foundation	**18,043,847**	21,455,383	12/31/89

* Includes grants, scholarships, and employee matching gifts; excludes loans, PRIs, and program expenses.

TABLE 16. 50 LARGEST FOUNDATIONS BY ASSET SIZE

Foundation	Assets	Grants	Fiscal Date
1. Ford Foundation	**$5,832,426,000**	$217,669,414	09/30/89
2. J. Paul Getty Trust	**4,520,456,318**	10,962,983[1]	06/30/89
3. W. K. Kellogg Foundation	**4,201,240,259**	106,948,094	08/31/89
4. Lilly Endowment	**3,357,904,453**	92,510,387	12/31/89
5. Pew Charitable Trusts	**3,321,890,529**	137,083,529	12/31/89
6. John D. and Catherine T. MacArthur Foundation	**3,243,000,000**	117,298,000	12/31/89
7. Robert Wood Johnson Foundation	**2,608,347,000**	98,600,000	12/31/89
8. Rockefeller Foundation	**2,140,244,924**	65,717,663	12/31/89
9. Andrew W. Mellon Foundation	**1,832,347,000**	75,501,129	12/31/89
10. Kresge Foundation	**1,261,100,053**	55,645,000	12/31/89
11. Duke Endowment	**990,835,850**	45,940,739	12/31/89
12. Charles Stewart Mott Foundation	**961,114,454**	43,795,989	12/31/89
13. McKnight Foundation	**917,641,548**	31,961,975	12/31/89
14. Carnegie Corporation of New York	**905,106,313**	39,306,029	09/30/89
15. Richard King Mellon Foundation	**878,877,690**	15,431,712	12/31/89
16. New York Community Trust	**829,783,809**	46,422,562	12/31/89
17. W. M. Keck Foundation	**764,433,113**	35,286,000	12/31/89
18. Robert W. Woodruff Foundation	**755,690,077**	8,731,763	12/31/89
19. DeWitt Wallace—Reader's Digest Fund	**697,122,307**	8,305,887	12/31/89
20. William and Flora Hewlett Foundation	**687,664,000**	36,970,028	12/31/89
21. Starr Foundation	**687,307,919**	19,759,351	12/31/89
22. Houston Endowment	**681,477,402**	37,401,700	12/31/89
23. Gannett Foundation	**653,019,100**	22,521,000	12/31/89
24. Harry and Jeanette Weinberg Foundation	**652,781,387**	21,610,699	02/28/90
25. Robert R. McCormick Charitable Trust	**630,994,902**	19,904,476	12/31/89
26. Alfred P. Sloan Foundation	**622,070,457**	17,249,581	12/31/89
27. Knight Foundation	**581,138,052**	16,665,311	12/31/89
28. Annie E. Casey Foundation	**580,000,000**	17,755,391[1]	12/31/89
29. Cleveland Foundation	**579,897,967**	27,560,926	12/31/89
30. James Irvine Foundation	**540,000,000**	20,487,000	12/31/89
31. Lila Wallace—Reader's Digest Fund	**527,739,800**	11,086,288	12/31/89
32. J. E. and L. E. Mabee Foundation	**494,281,654**	18,664,903	08/31/89
33. Conrad N. Hilton Foundation	**492,092,546**	10,179,630	02/28/90
34. Meadows Foundation	**476,217,532**	18,608,011	12/31/89
35. William Penn Foundation	**470,442,587**	25,491,488	12/31/89
36. Marin Community Foundation	**456,903,000**	21,385,000	06/30/89
37. Moody Foundation	**442,760,000**	24,097,184	12/31/89
38. Ahmanson Foundation	**437,995,000**	20,150,353	10/31/89
39. Howard Heinz Endowment	**433,860,577**	15,299,077	12/31/88
40. Henry Luce Foundation	**419,279,061**	19,589,345	12/31/89
41. Bush Foundation	**417,968,000**	17,387,493	11/30/89
42. Edna McConnell Clark Foundation	**414,258,000**	19,551,226	09/30/89
43. Brown Foundation	**413,019,005**	21,090,350	06/30/89
44. Henry J. Kaiser Family Foundation	**408,513,703**	12,846,314	12/31/89
45. Weingart Foundation	**404,198,697**	18,136,124	06/30/89
46. Lynde and Harry Bradley Foundation	**375,854,838**	20,583,373	07/31/89
47. Arthur S. DeMoss Foundation	**350,728,188**	12,933,528	12/31/88
48. Joyce Foundation	**348,286,228**	12,816,299	12/31/89
49. Samuel Roberts Noble Foundation	**345,256,786**	5,016,118	10/31/89
50. Longwood Foundation	**336,356,687**	15,117,664	09/30/89

[1] J. Paul Getty Trust and Annie E. Casey Foundation are operating foundations; a major share of their qualifying distributions are paid out for administration of operating programs, not as grants.

TABLE 17. FOUNDATION STAFF POSITIONS BY ASSET CATEGORIES*

	All Foundations	$100 million or more	$50 million–under $100 million	$25 million–under $50 million	$10 million–under $25 million	$5 million–under $10 million	Under $5 million
Total Foundations Surveyed	7,440	168	185	275	771	1,003	5,038
Foundations Reporting Staff	1,814	152	140	183	370	301	668
Percent Reporting Staff	24.4%	90.5%	75.7%	66.5%	48.0%	30.0%	13.3%
Total Staff Positions Reported	8,251	3,209	900	682	1,203	759	1,498
Full-time Professional	3,097	1,368	346	302	415	267	399
Part-time Professional	1,040	125	93	82	222	143	375
Full-time Support	2,531	1,397	339	151	256	144	244
Part-time Support	1,161	189	95	99	256	156	366
Unspecified	422	130	27	48	54	49	114
Average Number of Staff per Foundation Reporting Staff	4.55[1]	21.11[1]	6.43	3.73	3.25	2.52	2.25

*Based on 1990 survey of foundations with at least $1 million in assets or making grants of $100,000 or over.
[1] If the staff of the Ford Foundation (561) is excluded, the mean number of staff in this range is 17.5; for all foundations, the mean number is 4.25.

four; typically these were foundations with at least $25 million in assets. Few, if any, of the more than 24,000 smaller foundations not included in the survey are able to have paid staff, so their programs are generally administered by volunteer board members or by bank trustees.

Public Reporting. While all 32,000 private foundations are required by law to file IRS Form 990-PF, and must make that document available to the public, only about 1,900 foundations issue statements of their program interests or guidelines of grant applications and only 900—mainly the larger staffed foundations— publish full annual or biennial reports. (For a complete review of foundation reporting trends, see "Finding out about Foundations.") Of the smaller foundations publishing reports, most are community foundations.

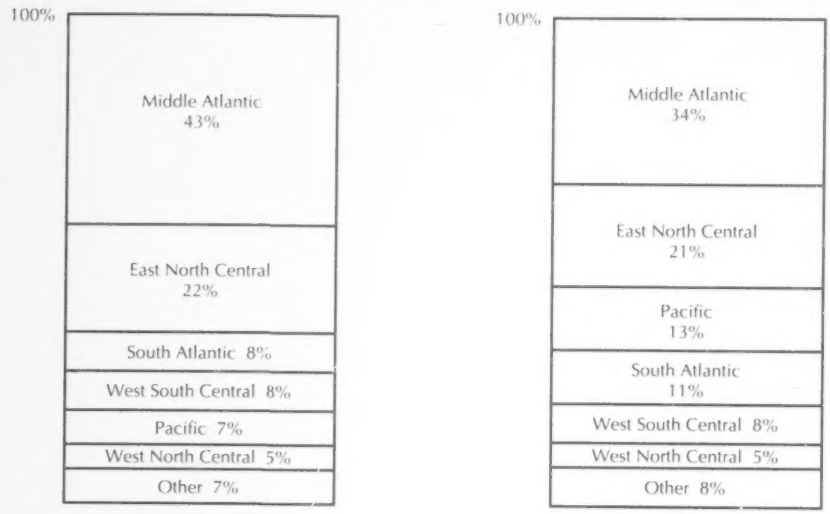
Local vs. National Giving. The overwhelming majority of the nation's 32,000 foundations limit their giving to their local community or state. Even among the nearly 7,500 foundations with assets of $1 million or over or grant programs of $100,000 or over, only about 2,200 (29 percent) give on a national or international basis, and those are usually the largest independent foundations or corporate foundations whose sponsoring companies

HOWARD HUGHES MEDICAL INSTITUTE

Exceptional new resources were added to organized philanthropy when the Howard Hughes Medical Institute, a nonprofit organization whose principal purpose is the direct conduct of medical research, started up a grants program in 1987. Although formed by an endowment and holding assets of over $6.4 billion in fiscal 1989, as a medical research organization HHMI is classified "not as a private foundation" under the federal tax code. It is therefore not subject to the same regulations, payout requirements, limits on deductibility, and excise taxes that apply to private foundations set forth in Appendix A. Nevertheless, as part of a settlement reached with the Internal Revenue Service, HHMI agreed to spend $500 million in charitable distributions over ten years, in addition to the amount that it is required to spend as a medical research organization. In 1989, that commitment resulted in 54 grants totaling $39.6 million in support of education and training in biomedical and related sciences. If HHMI's grants were ranked with those of the largest private foundations, the Institute would place among the top fifteen funders in 1989; in science, it is one of the largest grantmakers.

In recognition of its prominent role in philanthropy, information concerning HHMI's grant program has been added to the publications of the Foundation Center. Yet because it is not a private or community foundation, and because the Foundation Center does not have comprehensive information on other medical research organizations or on philanthropies commonly known as "public foundations," data on HHMI are not included in the statistical analyses in this report.

FIGURE 8. FOUNDATION ASSETS BY REGION



operate nationally or internationally.

Broad Giving vs. Defined Programs. Many of the largest foundations organize their giving through announced programs that may be limited to a specific subject or field—the Robert Wood Johnson Foundation concentrates in the health field, for example—or cover a wide range of interests. Small foundations that give locally frequently support a broad range of activities and their program interests may not be as well defined as those of larger foundations just as information about their programs is generally not as widely available to the public. Yet these foundations remain an important source of funding for community service agencies, cultural organizations, schools, and other nonprofit organizations.

Shifts in Geographic Distribution

The Northeast has traditionally controlled a disproportionate share of philanthropy, yet changing demographic patterns and relatively rapid economic growth in the South and Pacific regions over the past 15 years have altered the philanthropic map. Figure 8 and Table 18 compare the geographic distribution of foundations and their corresponding share of assets by region in 1975 and

TABLE 18. FOUNDATION NUMBER AND ASSETS BY REGION, 1975 AND 1989*

Region	1975				1989			
	Number	%	Assets	%	Number	%	Assets	%
Middle Atlantic	6,352	29.0	$13,015	43.2	8,230	25.7	$46,573	33.9
East No. Central	4,406	20.1	6,612	21.9	6,063	19.0	29,447	21.4
Pacific	2,185	10.0	2,105	7.0	3,437	10.7	17,731	12.9
South Atlantic	2,520	11.5	2,511	8.3	4,294	13.4	14,607	10.6
West So. Central	1,485	6.8	2,390	8.0	2,218	6.9	10,720	7.8
West No. Central	1,609	7.4	1,394	4.6	2,836	7.5	6,828	5.0
New England	2,167	9.9	1,237	4.1	3,223	10.1	6,484	4.7
Mountain	567	2.6	470	1.6	1,123	3.5	3,249	2.4
East So. Central	582	2.7	378	1.3	1,013	3.2	1,850	1.3
Puerto Rico[1]	4	0.0	17	0.0	3	0.0	48	0.0
Total	**21,877**	**100.0%**	**$30,129**	**100.0%**	**31,990**	**100.0%**	**$137,537**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

[1] Private foundations in Puerto Rico are not required to file IRS Form 990-PF. Only a few voluntary reporters are represented in the Foundation Center database.

TABLE 19. FISCAL DATA OF GRANTMAKING FOUNDATIONS BY REGION AND STATE (Dollar figures expressed in thousands)

Region	Number of Foundations	%	Assets	%	Gifts Received	%	Expenditures	%	Total Grants	%
Middle Atlantic	8,230	25.7	$46,573,119	33.9	$1,151,201	20.8	$3,012,194	32.2	$2,547,939	32.2
New Jersey	983		4,747,760		106,000		320,099		278,849	
New York	5,558		31,635,708		826,889		2,084,976		1,729,221	
Pennsylvania	1,689		10,189,651		218,212		607,120		539,869	
East North Central	6,063	19.0	29,446,928	21.4	993,856	18.0	1,853,567	19.8	1,615,292	20.4
Illinois	2,126		8,486,998		285,277		607,674		536,372	
Indiana	685		4,683,237		105,015		192,644		168,005	
Michigan	965		9,729,556		321,257		528,656		459,978	
Ohio	1,463		5,161,651		205,840		403,644		348,107	
Wisconsin	824		1,385,486		76,468		120,949		102,829	
Pacific	3,437	10.7	17,730,573	12.9	884,217	16.0	1,124,619	12.0	917,015	11.6
Alaska	22		9,152		1,311		1,711		1,227	
California	2,533		15,700,982		784,059		971,679		785,537	
Hawaii	121		374,927		9,674		23,289		19,925	
Oregon	280		671,325		31,981		44,047		38,123	
Washington	481		973,686		57,192		83,893		72,195	
West South Central	2,218	6.9	10,720,172	7.8	337,782	6.1	755,513	8.1	610,957	7.7
Arkansas	155		279,973		16,743		32,825		28,321	
Louisiana	221		438,332		15,154		27,838		21,250	
Oklahoma	269		1,863,114		40,963		103,925		75,315	
Texas	1,573		8,138,752		264,922		590,925		486,071	
South Atlantic	4,294	13.4	14,607,290	10.6	978,328	17.7	1,109,837	11.9	928,894	11.7
Delaware	141		860,479		8,969		55,922		41,503	
District of Columbia	283		1,494,907		70,679		120,686		94,453	
Florida	1,293		2,526,018		330,531		275,037		231,930	
Georgia	551		2,604,558		259,990		134,665		120,095	
Maryland	564		1,897,417		82,256		136,989		119,592	
North Carolina	562		3,061,837		97,319		198,227		176,086	
South Carolina	223		340,125		21,062		37,799		20,405	
Virginia	572		1,600,926		100,224		136,903		113,271	
West Virginia	105		221,022		7,297		13,611		11,560	
West North Central	2,386	7.5	6,826,564	5.0	382,503	6.9	591,230	6.3	534,163	6.8
Iowa	458		520,740		28,957		47,079		40,713	
Kansas	319		352,617		20,607		36,826		32,634	
Minnesota	584		3,528,143		177,133		274,777		248,700	
Missouri	694		1,937,041		130,646		182,221		168,410	
Nebraska	222		431,609		21,132		45,602		40,697	
North Dakota	54		38,787		2,399		3,377		2,124	
South Dakota	55		17,627		1,631		1,347		885	
New England	3,223	10.1	6,483,785	4.7	285,152	5.2	529,305	5.7	452,755	5.7
Connecticut	809		2,450,278		145,916		235,609		198,831	
Maine	264		108,635		5,701		8,868		7,324	
Massachusetts	1,705		2,940,464		103,513		219,509		189,517	
New Hampshire	210		318,152		13,698		19,596		15,758	
Rhode Island	166		586,284		12,029		40,303		38,288	
Vermont	69		79,972		4,295		5,420		3,039	
Mountain	1,123	3.5	3,249,245	2.4	410,939	7.4	214,070	2.3	174,538	2.2
Arizona	218		464,023		21,758		38,828		30,779	
Colorado	386		1,437,163		119,798		106,257		89,526	
Idaho	74		65,429		3,076		5,918		5,362	
Montana	94		67,893		4,545		4,531		3,887	
Nevada	83		741,064		236,433		28,466		21,053	
New Mexico	67		131,074		19,455		8,641		5,638	
Utah	145		268,522		4,891		16,185		14,030	
Wyoming	56		74,078		983		5,243		4,263	
East South Central	1,013	3.2	1,850,397	1.3	94,567	1.7	151,013	1.6	128,358	1.6
Alabama	284		369,923		20,248		29,675		26,619	
Kentucky	262		457,292		26,216		42,658		35,005	
Mississippi	118		101,513		6,480		12,104		10,461	
Tennessee	349		921,669		41,622		66,575		56,273	
Puerto Rico	3	0.0	48,453	0.0	4,436	0.1	3,333	0.0	1,282	0.0
Total	31,990	100.0	$137,537,130	100.0	$5,522,229	100.0	$9,344,547	100.0	$7,911,068	100.0

Note: Figures may not add up due to rounding

1989; Table 19 presents complete fiscal data by state and by region in 1989.

In 1989 about 45 percent of all 32,000 grantmaking foundations were located in the Middle Atlantic states (New York, New Jersey, and Pennsylvania) and the East North Central states (Illinois, Indiana, Michigan, Ohio and Wisconsin). Foundations in these eight states account for 55 percent of assets and were responsible for over 52 percent of total dollars distributed.

Although foundations in the Middle Atlantic states still represent the largest single share of foundation assets and giving—approximately one-third—they have experienced much slower growth than foundations in other regions. In 1975, by comparison, foundations in the three Middle Atlantic states accounted for fully 43 percent of both assets and grants and New York State alone comprised a commanding one-third share of foundation wealth. But if the Middle Atlantic states have lost ground, the East North Central region has held on to its roughly one-fifth of assets and grants over the same period.

Foundations in the Pacific and South Atlantic regions have experienced the greatest long-term growth:

Pacific Region. Assets of foundations in the Pacific states—California, Oregon, and Washington—represented 13 percent of total assets in 1989 compared with only 7 percent in 1975. Their share of grants has grown from under 7 percent to nearly 12 percent. (California alone controls 11 percent of assets and represents 10 percent of grant dollars). Much of the asset growth of this region came in the late 1970s or early 1980s, especially upon the endowment of the J. Paul Getty Trust in California, mentioned earlier in this report.

Moreover, many of the largest foundations with living donors (the David and Lucile Packard Foundation and the Arnold and Mabel Beckman Foundation, for example) and the largest created in the 1980s are located in California. As a result, the Pacific region receives a substantial share of new gifts—16 percent in 1989. For newly established foundations, the percentage is much higher. According to figures released in the Center's 1991 *Directory of New and Emerging Foundations*, the Pacific area accounts for fully 30 percent of gifts received, 27 percent of assets, and 22 percent of the grants reported by more than 3,000 foundations created since 1985. (See "New Foundations in the 1980s.")

South Atlantic Region. Assets of the South Atlantic states—Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia—grew from 8 percent in 1975 to nearly 11 percent in 1989. Grants increased from 8 percent to nearly 12 percent over this period. Foundation growth in this area accelerated in the mid-1980s along with regional economic growth. While no single "billion dollar" foundation emerged, several established foundations received important additions to endowments, large new foundations were formed, and corporate foundation activity increased. Foundation growth was especially notable in Florida, Georgia, Maryland, and Virginia. In 1989 the South Atlantic region's share of gifts to foundations totaled $978 million, or nearly 18 percent.

Some of the newly established, newly large, or relocated foundations that have contributed to growth include the Lucille P. Markey Charitable Trust (FL), the Robert W. Woodruff Foundation (GA), the Eugene B. Casey Foundation (MD), RJR Nabisco Foundation (DC), Gannett Foundation (VA), and the Harry and Jeannette Weinberg Foundation (MD). Due to bequests from Harry Weinberg's estate announced recently, the Weinberg Foundation expects to exceed $1 billion in assets in 1991.

Rankings by State. Foundations in ten states account for 71 percent of total giving (Table 20). The top ranked state by giving, New York, counts over 5,500 foundations (17 percent) and together these foundations distributed $1.7

TABLE 20. TOP 10 STATES BY GRANT DOLLARS REPORTED*

Foundation Location	No. of Foundations	% of Total	Grant Amount	% of Total	Rank 1975
1. New York	5,558	17.4%	$1,729.4	21.9%	1
2. California	2,533	7.9	785.5	9.9	4
3. Pennsylvania	1,689	5.3	539.9	6.8	2
4. Illinois	2,126	6.6	536.4	6.8	6
5. Texas	1,573	4.9	486.1	6.1	5
6. Michigan	965	3.0	459.9	5.8	3
7. Ohio	1,463	4.6	348.1	4.4	7
8. New Jersey	983	3.1	278.8	3.5	9
9. Minnesota	584	1.8	248.7	3.1	10
10. Florida	1,293	4.0	231.9	2.9	18
Subtotal	**18,767**	**58.6%**	**$5,644.7**	**71.2%**	
All other states	13,223	41.4	2,266.4	28.8	
Total	**31,990**	**100.0%**	**$7,911.1**	**100.0%**	

* Dollar figures in millions; due to rounding, figures may not add up. Total grants equals total dollars paid out by foundations located in each state and not dollars received by organizations in these states.

billion or 22 percent of grant dollars in 1989. Second-ranked California counts 2,533 foundations with combined grants of $785 million (10 percent).

Between 1975 and 1989 the ten top ranked states by foundation giving were unchanged with the exception of Florida; it advanced from eighteenth to tenth in rank. Within the group California advanced from fourth to second, Illinois from sixth to fourth.

Of the top ranking states, nearly all have foundation communities numbering close to or well above 1,000. One notable exception is ninth ranking Minnesota which lists only 584 foundations (1.8 percent) but accounts for over 3 percent of grant dollars. Despite the nation's demographic and corporate redistribution in the 1980s, favoring the West and South, Minnesota foundations have consistently held their high ranking.

Foundation Development in the 1980s

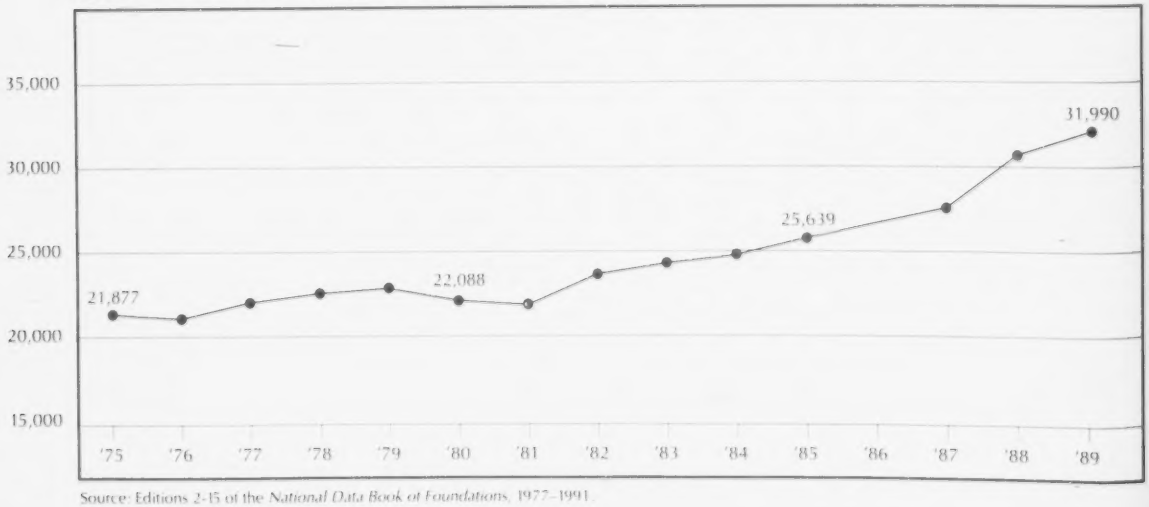
NUMBER OF GRANTMAKING FOUNDATIONS INCREASING

According to the *National Data Book of Foundations*, from 1988 to 1989 the number of active grantmaking foundations grew from just over 30,300 to nearly 32,000, up by over 1,600 or 5.4 percent, adding to a trend that began in 1982 (Figure 9 and Table 21). By type of foundation, there were nearly 29,000 independent foundations, nearly 1,600 corporate foundations, over 1,400 operating foundations, and 282 community foundations.

At the start of the decade, the foundation population totaled just over 22,000 and was shrinking along with the real value of foundation assets. Starting with fiscal year 1981–1982, the number reported in the Foundation Center's annual analysis, which is based on Internal Revenue Service data, began to climb. Overall, from 1981 to 1989 the number of foundations identified as awarding grants of $1 or more increased by nearly 10,000, a jump of about 45 percent. Growth began slowly and accelerated in the second half of the decade. Between 1984 and 1989, 7,000 foundation records were added to the Center's database, most of them independent foundations. As illustrated in Table 21, since 1987, when comprehensive coding of all private foundations according to type was first introduced by the Foundation Center, the number of independent or family foundations increased from around 25,000 to nearly 28,669 (up 16 percent) and the number of corporate foundations increased from 1,295 to 1,587 (up 23 percent).

Due to earlier coding procedures, growth of grantmaking operating foundations and of community foundations may be measured across the decade. The number of grantmaking operating foundations has nearly tripled since 1981—from nearly 500 to nearly 1,500—while the number of community foundations reporting to the Foundation Center has increased by 55 percent, from 182 to 282. Community foundation reporting, however, falls short of the more than 300 identified by the Council on Foundations, explained in part by different methods of tracking supporting organizations. The Center does not report separate fiscal information for supporting organizations that are ad-

FIGURE 9. NUMBER OF GRANTMAKING FOUNDATIONS, 1975–1989



Source: Editions 2-15 of the *National Data Book of Foundations*, 1977–1991.

ministered by a community foundation.

Foundation growth in numbers has resulted primarily but not exclusively from the creation of new foundations. Trends in foundation formation will be discussed more fully below. Other explanations for growth in absolute numbers include:

- Substantially lower rates of termination after 1984;
- An increase of nearly 1,000 operating foundations actively awarding grants, as noted above;
- More accurate collection of data on smaller foundations by the Foundation Center, achieved by comprehensive examination of IRS Form 990-PF; and finally,
- The addition of some 2,000 non-exempt charitable trusts (NECTS) into the IRS file due to a filing requirement that took effect in the mid-1980s. The private foundation NECTS identified by the Foundation Center fall almost entirely into the category of the smallest size foundations, that is, those with assets less than $1 million or awarding grants less than $100,000.

NEW FOUNDATIONS IN THE 1980s

Clearly the single most significant factor in the increase in foundation number in the 1980s has been the choice of individuals, families, companies, and communities to establish new foundations. The overall revitalization of organized philanthropy in the 1980s—its growth in size of giving and assets—owes much to this new blood, as well as to market performance and economic expansion through much of the decade. Several large and prominent foundations started up in the 1980s, although as a group, these fledgling foundations still control only a small share of the total foundation pie.

While comprehensive data on the formation of all 32,000 active grantmaking foundations are not currently available, expanded research efforts since 1987 have identified the following: nearly 1,500 recently established foundations added to the *National Data Book of Foundations* during the most recent year; nearly 5,200 *Data Book* foundations—large and small—created after 1979; among these, more than 3,000 foundations created since 1985. Entries on these 3,020 newer foundations were published in the 1991 edition of *New and Emerging Foundations*.

As a result of comprehensive ongoing research since the 1960s for *The Foundation Directory*, a great deal more is known about periods of foundation formation of the largest foundations—those 7,440 reporting assets of $1 million or over or grants of at least $100,000 in 1989—allowing comparisons across decades. Figure 10 shows that of these 7,440 large foundations, 1,620 (22 percent) were created in the 1980s, nearly double the number formed in the 1970s.

Compared to their high number, these newer foundations control just $9.3 billion in assets or a relatively low 7 percent of total large foundation wealth (Table 22). The lower asset share, however, is consistent with established patterns of foundation development. Studies have shown that the average family foundation receives its primary endowment about 12 years after creation, usually following the death of the principal founder. In fact, the assets of these newer foundations are increas-

TABLE 21. NUMBER OF GRANTMAKING FOUNDATIONS BY TYPE

Year	All Types		Private Foundations				Community Foundations
	Number	% Change	Total Number	IN	CS	OP	Number
1975	21,877		21,877	—	—	—	*
1976	21,447	(2.0%)	21,447	—	—	—	*
1977	22,152	3.3	21,982	—	—	—	170
1978	22,484	1.5	22,325	—	—	—	159
1979	22,535	0.2	22,348	—	—	—	187
1980	22,088	(2.0)	21,906	—	—	—	182
1981	21,967	(0.5)	21,759	—	—	496	208
1982[1]	23,770[1]	8.2[1]	23,545	—	—	817	225
1983	24,261	2.1	24,025	—	—	676	236
1984	24,859	2.5	24,616	—	—	907	243
1985	25,639	3.1	25,389	—	—	677	250
1987[2]	27,661[2]	7.9[2]	27,429	25,094[2]	1,295[2]	1,040	232
1988	30,338	9.7	30,082	27,411	1,449	1,222	256
1989	31,990	5.4	31,708	28,669	1,587	1,452	282

Source: *National Data Book of Foundations*, Editions 2-15.

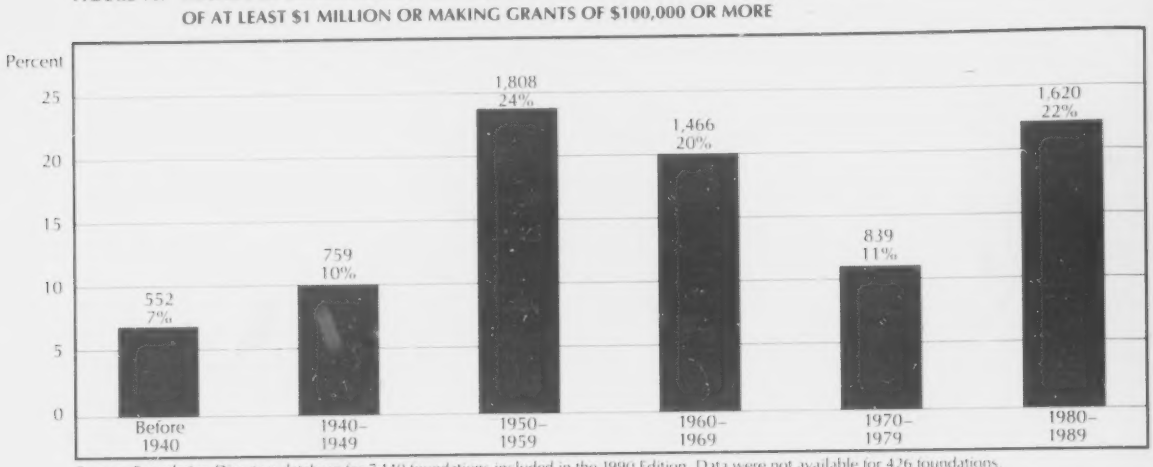
— = not available IN = Independent CS = Company-sponsored or corporate OP = Operating

* Collection of data on community foundations began with fiscal year 1977. Since community foundations are not "private" foundations, they are not required to file Form 990-PF. Data are solicited annually by questionnaire.

[1] Increase largely due to new computer program scanning multiple year IRS transaction tapes to identify eligible grantmaking foundations. Program developed by Foundation Center to offset omissions in a single year's transaction tape caused by variations in reporting periods of individual foundations.

[2] Primary source of data changed from IRS transaction tape to direct entry by Foundation Center staff from Form 990-PF, facilitating manual coding of independent and corporate foundations.

FIGURE 10. DECADE OF ESTABLISHMENT OF ACTIVE GRANTMAKING FOUNDATIONS WITH ASSETS OF AT LEAST $1 MILLION OR MAKING GRANTS OF $100,000 OR MORE



Source: *Foundation Directory* database for 7,440 foundations included in the 1990 Edition. Data were not available for 426 foundations.
Note: Number above column equals number of foundations formed in that period and still active in 1988–89.

ing rapidly: in fiscal year 1987 foundations created in the 1980s held only $6.6 billion in combined assets.

NEW AND LARGE FOUNDATIONS

As shown in Table 22, most of these newer foundations —more than 1,300—are independent, usually founded by a single individual or family; 203 were formed by companies; 29 are community foundations; and 49 are grantmaking operating foundations.

Most are quite small—three out of five have assets under $5 million (Table 23). Yet, in a relatively few years, the 1980s have produced a number of very large foundations: 57 have assets over $25 million, and of those, 11 report assets of $100 million or more.

Table 24 presents the assets, grants, and gifts received of 29 foundations with assets of $50 million or more formed since 1980. Seven of the 29 are company-sponsored, while the majority are independent. Seven are located in the state of California, including the largest, Marin Community Foundation (assets, $457 million). Marin was formed as a new foundation in 1987 but its assets derive from the Buck Trust, formerly a fund within the San Francisco Foundation.

Finally, Table 25 ranks the 21 foundations created in the 1980s that made grants of $5 million or more in 1988 or 1989; nearly half of this group are corporate foundations. First in rank by grants was the Florida based Lucille P. Markey Charitable Trust ($43 million), an independent foundation.

TABLE 22. PERIOD OF ESTABLISHMENT FOR FOUNDATIONS BY FOUNDATION TYPE WITH AGGREGATE ASSETS*
(Dollar figures in thousands)

	Total Foundations		Independent Foundations		Corporate Foundations		Community Foundations		Operating Foundations	
Decade Established	No.	Assets	No.	Assets	No.	Assets	No.	Assets	No.	Assets
Before 1900	54	$ 199,055	50	$ 173,981	0	$ 0	0	$ 0	4	$ 25,073
1900—1909	22	346,389	18	170,887	0	0	0	0	4	175,502
1910—1919	77	6,222,828	56	4,405,159	1	16,700	17	1,791,578	3	9,391
1920—1929	164	7,052,378	126	5,374,431	5	32,288	22	1,402,589	11	243,070
1930—1939	205	25,345,621	186	25,162,805	8	44,317	5	33,599	6	104,900
1940—1949	759	25,027,125	665	23,015,108	63	503,751	15	742,948	16	765,319
1950—1959	1,808	29,291,998	1,428	21,853,553	334	2,275,606	28	497,840	18	4,664,999
1960—1969	1,466	12,657,707	1,221	11,255,963	189	543,367	26	407,979	30	450,398
1970—1979	839	11,426,469	677	10,032,039	104	868,371	42	423,897	16	102,161
1980—1989	1,620	9,337,522	1,341	7,328,604	203	1,207,288	29	604,935	47	196,694
Data not available	426	930,558	379	877,304	30	24,830	2	4,968	15	23,457
Total	**7,440**	**$127,837,651**	**6,147**	**$109,649,834**	**937**	**$5,516,518**	**186**	**$5,910,334**	**170**	**$6,760,965**

*Grantmaking foundations with at least $1 million in assets or making grants of $100,000 or more in 1988 or 1989.
Note: Figures may not add up due to rounding.

TABLE 23. PERIOD OF ESTABLISHMENT FOR FOUNDATIONS BY ASSET CATEGORIES*

Decade Established	Total Foundations		Asset Categories: $100 million or more		$25 million–under $100 million		$10 million–under $25 million		$5 million–under $10 million		$1 million–under $5 million		Under $1 million	
	No.	%	No.	%	No.	%	No.	%	No.	%	N.o	%	No.	%
Before 1900	54	0.7	0	0.0	0	0.0	3	0.4	10	1.0	41	1.1	0	0.0
1900-1909	22	0.3	1	0.6	3	0.7	2	0.3	4	0.4	12	0.3	0	0.0
1910-1919	77	1.0	8	4.8	17	3.7	12	1.6	6	0.6	33	0.9	1	0.1
1920-1929	164	2.2	11	6.5	23	5.0	30	3.9	23	2.3	74	1.9	3	0.3
1930-1939	205	2.8	26	15.5	26	5.7	35	4.5	34	3.4	75	1.9	9	0.8
1940-1949	759	10.2	46	27.4	91	19.8	112	14.5	116	11.6	352	9.1	42	3.6
1950-1959	1,808	24.3	36	21.4	128	27.8	220	28.5	281	28.0	921	23.6	231	19.7
1960-1969	1,466	19.7	14	8.3	76	16.5	150	19.5	213	21.2	798	20.6	215	18.3
1970-1979	839	11.3	15	8.9	49	10.7	84	10.9	112	11.2	446	11.5	133	11.3
1980-1989	1,620	21.8	11	6.5	46	10.0	115	14.9	173	17.2	844	21.8	431	36.7
Data not available	426	5.7	0	0.0	1	0.2	8	1.0	31	3.1	278	7.2	108	9.2
Total	**7,440**	**100.0%**	**168**	**100.0%**	**460**	**100.0%**	**771**	**100.0%**	**1,003**	**100.0%**	**3,865**	**100.0%**	**1,173**	**100.0%**

* Grantmaking foundations with at least $1 million in assets or making grants of $100,000 or more in 1988-1989.
Note: Figures may not add up due to rounding.

Many of these large new foundations limit their giving to highly specialized interests:

- The Markey Charitable Trust will spend out all its assets by 1997 in the field of biomedical research;
- Colorado Trust and the Sierra Foundation, whose assets derive from the sale of nonprofit hospitals to profit-making companies, concentrate largely on health promotion; the Sierra Foundation is especially active in AIDS prevention; and
- Through its "Next Century Schools" awards program, RJR Nabisco Foundation has joined other corporate foundations in the push to improve public education.

TABLE 24. FOUNDATIONS CREATED IN THE 1980s WITH ASSETS OF $50 MILLION OR MORE

Foundation	State	Year Created	Type*	Fiscal Date	Assets	Gifts Received	Grants
Marin Community Foundation	CA	1986	CM	06/30/89	$456,903,000	$ 6,656,660	$21,385,000
Colorado Trust	CO	1985	I	12/31/89	232,899,690	62,867,4 4	8,026,412
Lucille P. Markey Charitable Trust	FL	1983	I	06/30/89	215,460,532	114,053,626	43,115,626
Vira I. Heinz Endowment	PA	1983	I	12/31/88	212,563,283	0	6,969,371
Bat Hanadiv Foundation No. 3	NY	1981	I	12/31/88	195,644,879	0	7,278,280
Capital Fund Foundation	CA	1982	I	11/30/88	178,101,758	50,000	8,463,951
Frances & Benjamin Benenson Foundation	NY	1983	I	11/30/89	158,850,000	2,900,000	579,000
Stratford Foundation	MA	1983	I	12/31/89	152,542,550	47,800	10,375,971
Moriah Fund	IN	1985	I	12/31/89	130,381,123	39,600,378	3,773,650
Roy J. Carver Charitable Trust	IA	1982	I	04/30/89	127,216,753	0	6,402,565
AT&T Foundation	NY	1984	CS	12/31/89	126,766,000	0	30,426,888
Milken Family Foundation	CA	1986	I	11/30/87	97,536,838	105,276,297	4,015,074
United States–Japan Foundation	NY	1980	I	12/31/89	93,173,748	0	3,861,867
Sierra Foundation	CA	1984	I	06/30/89	84,783,332	0	1,324,085
E. L. Wiegand Foundation	NV	1982	I	10/31/89	79,466,446	31,235	1,407,120
Eden Hall Foundation	PA	1984	I	12/31/88	78,297,656	0	3,552,000
Scaife Family Foundation	PA	1983	I	12/31/89	77,211,995	8,938,325	4,081,550
John S. Dunn Research Foundation	TX	1985	I	12/31/89	72,320,277	126,924	2,950,472
Milken Family Medical Foundation	CA	1986	I	10/31/88	68,953,318	50,219,395	4,524,310
Eugene B. Casey Foundation	MD	1981	I	08/31/89	67,575,625	0	2,757,577
Ameritech Foundation	IL	1984	CS	12/31/89	67,026,856	0	4,148,271
Pacific Telesis Foundation	CA	1984	CS	12/31/89	62,460,587	10,000,000	8,153,343
RJR Nabisco Foundation	DC	1986	CS	12/31/89	61,470,682	0	6,806,508
Francis Families Foundation	MO	1989	I	12/31/89	59,978,227	0	2,640,577
Kraft General Foods Foundation	IL	1983	CS	12/26/88	55,471,190	5,000,000	10,467,687
FHP Foundation	CA	1985	CS	06/30/89	54,829,942	0	773,064
HCA Foundation	TN	1982	CS	12/31/89	54,789,897	0	2,734,036
Eugene V. & Clare E. Thaw Charitable Trust	NY	1981	O	05/31/89	51,469,381	47,900,000	585,996
Jessie B. Cox Charitable Trust	MA	1982	I	12/31/88	50,000,000	0	3,096,286

*Type of foundation codes: O = operating foundation; I = independent foundation; CS = company-sponsored or corporate foundation; CM = community foundation.

TABLE 25. FOUNDATIONS CREATED IN THE 1980s WITH GRANTS OF $5 MILLION OR MORE

Foundation	State	Year Created	Type*	Fiscal Date	Grants	Gifts Received	Assets
Lucille P. Markey Charitable Trust	FL	1983	I	06/30/89	$43,115,626	$114,053,626	$215,460,532
AT&T Foundation	NY	1984	CS	12/31/89	30,426,888	0	126,766,000
Marin Community Foundation	CA	1986	CM	06/30/89	21,385,000	6,656,660	456,903,000
US WEST Foundation	CO	1985	CS	12/31/89	19,708,234	25,083,744	6,069,021
Orville D. & Ruth A. Merillat Foundation	MI	1983	I	02/28/90	15,708,214	0	36,811,040
Southwestern Bell Foundation	MO	1984	CS	12/31/89	15,568,256	16,000,000	42,012,377
Kraft General Foods Foundation	IL	1983	CS	12/26/88	10,467,687	5,000,000	55,471,100
Stratford Foundation	MA	1983	I	12/31/89	10,375,971	47,800	152,542,550
Westinghouse Foundation	PA	1987	CS	12/31/89	10,095,522	7,200,000	6,324,210
Ann and Gordon Getty Foundation	CA	1986	I	12/31/88	9,380,500	4,707,500	3,499,509
Capital Fund Foundation	CA	1982	I	11/30/88	8,463,951	50,000	178,101,758
Pacific Telesis Foundation	CA	1984	CS	12/31/89	8,153,343	10,000,000	62,460,587
Colorado Trust	CO	1985	I	12/31/89	8,026,412	62,867,474	232,899,690
Bat Hanadiv Foundation No. 3	NY	1981	I	12/31/88	7,278,280	0	195,644,879
Vira I. Heinz Endowment	PA	1983	I	12/31/88	6,969,371	0	212,563,283
RJR Nabisco Foundation	DC	1986	CS	12/31/89	6,806,508	0	61,470,682
Roy J. Carver Charitable Trust	IA	1982	I	04/30/89	6,402,565	0	127,216,753
Humana Foundation	KY	1981	CS	08/31/89	6,156,512	3,296,358	14,934,874
Harcourt M. and Virginia W. Sylvester Foundation	FL	1980	I	07/31/89	5,513,000	0	31,184,726
Coca-Cola Foundation	GA	1984	CS	12/31/88	5,138,530	6,808,689	10,534,865
Duke Power Company Foundation	NC	1984	CS	12/31/88	5,011,124	573,120	2,143,673

*Type of foundation codes: I = independent foundation; CS = company-sponsored or corporate foundation; CM = community foundation.

EARLY FOUNDATION DEVELOPMENT

To put 1980s formation in context, we must look back over nearly a century of development. The concept of private foundations as they exist today dates back to the very beginning of the 1900s, when the first "general purpose" or "modern" foundations were created, including Russell Sage Foundation (1907), Carnegie Corporation of New York (1911), and the Rockefeller Foundation (1915).

The first community foundation, the Cleveland Foundation, was established in 1914, and by 1930 another 40 had been formed. The Cleveland Foundation recently celebrated its 75th anniversary, an important landmark in the community foundation movement. Although corporations were not allowed tax deductions for charitable contributions until 1936, a few corporate foundations were formed in these early years as well.

Nearly one-third of the giant foundations of today—those with assets of $100 million or over—were established before 1940 (Table 23). Still, the overall number of foundations was quite small. It was only after World War II that the foundation movement experienced explosive growth, attributed to societal needs that surfaced in the wake of the war, the emergence of company-sponsored foundations, and a new emphasis on family foundations with living donors, due to the very high income tax rates then in effect.

Foundation creation grew by 145 percent in the 1940s and at nearly the same rate in the 1950s (Table 26). In all, more than 1,800 large foundations still active today were created in the 1950s and these foundations control over $29 million in assets or 23 percent. Of the 168 foundations with assets in excess of $100 million, nearly half were created in the 1940s and 1950s.

GROWTH OF NEW FOUNDATIONS DECLINES SHARPLY IN 1970s

The rate of creation slowed in the 1960s—still, nearly 1,500 new foundations were formed—and then plummeted in the early 1970s following passage of the 1969 Tax Reform Act.[3] As reported earlier in analysis of growth of assets and grants, the Act introduced stringent rules and regulations governing foundations, considered excessively punitive or burdensome by some in the field, gave donors to private foundations less favorable tax breaks, and imposed payout requirements and a 4 percent excise tax. Regulation, and the generally hostile climate that surrounded it, appear to have had a very chilling effect on new formation, especially of independent or family foundations. Questions about the desirability of company foundations over corporate direct giving programs and weakness in the economy also contributed to the overall downturn. With only 839 new foundations formed in the 1970s, the creation rate dropped to 18 per-

[3]A study investigating the decline of private foundations in the 1970s was undertaken in 1983 by the Council on Foundations and the Program on Non-Profit Organizations at Yale University. The results were published in *America's Wealthy and the Future of Foundations*. Ed. by Teresa Odendahl, The Foundation Center, 1987.

TABLE 26. CREATION RATE OF LARGER FOUNDATIONS*

Decade Created	Number Created	Total Population[1]	% Increase
Before 1900	54	—	—
1900-1909	22	76	40.7%
1910-1919	77	153	50.3
1920-1929	164	317	107.2
1930-1939	205	522	64.7
1940-1949	759	1,281	145.4
1950-1959	1,808	3,089	141.1
1960-1969	1,466	4,555	47.4
1970-1979	839	5,394	18.4
1980-1988[2]	1,620	7,014	30.0

* Foundations with $1 million or more in assets or making grants of $100,000 or more in 1989.
[1] Excludes 426 foundations missing establishment data.
[2] Data incomplete for 1987 and 1988.

cent (Table 26). In absolute numbers, foundation births per year, averaged out over the decade, declined to 84 in the 1970s from a high of 181 per year in the 1950s and 147 per year in the 1960s (Table 27).

Foundation decline was of paramount concern to the philanthropic community in the early 1980s and resulted in concerted efforts by foundations and their national and regional associations to improve the regulatory environment and to attract new philanthropists to the foundation community. By 1987, Foundation Center data pointed to renewed evidence of positive growth. Research through the late 1980s has further documented and confirmed these healthy signs of new life. Based on fiscal reporting for the decade complete only through 1987, the creation growth rate for the larger foundations has jumped from 18 percent in the 1970s to 30 percent in the 1980s (Table 26). When information on the decade is complete, the number of new foundations can be expected to surpass 2,000—well above the record number created in the 1950s—and the growth rate will be adjusted upwards.

Measuring foundation births per year (Table 27), the mean number of foundations created annually between 1980 and 1988 was 180, about equal to the number created per year in the high growth years of the 1950s. For independent foundations, the number created per year in the 1980s—149—exceeds the number of births per year in the 1950s and doubles the number of births per year in the 1970s. Across the country, a new generation of philanthropists were choosing to form foundations. The rise of vast personal fortunes in the 1980s, increased incentives for giving as regulations were liberalized, and a more positive view of the role of foundations in the nonprofit sector, all appear to have contributed to renewed growth.

Corporations were also active in the 1980s; they formed foundations at the rate of 22 per year in the 1980s compared with only ten per year in the 1970s (Table 27). The increase in births, however, was dramatically offset by terminations caused by company mergers and buyouts. Moreover, births per year in the 1980s continued to fall far short of the 33 created annually in the 1950s.

The development of community foundations, unencumbered by the more punitive tax and regulatory burdens imposed on private foundations, has differed dramatically from private foundations over the last few decades. While the very largest community foundations active in 1989 were established early in the century, growth in the formation of community foundations—those with assets of $1 million or more or awarding grants of at least $100,000—peaked in the 1970s, when a total of 42 were established (Table 27). Growth remained relatively strong in the 1980s, encouraged by the support of several of the largest private foundations.

CHARTING FOUNDATION FORMATION: 1970 to 1988

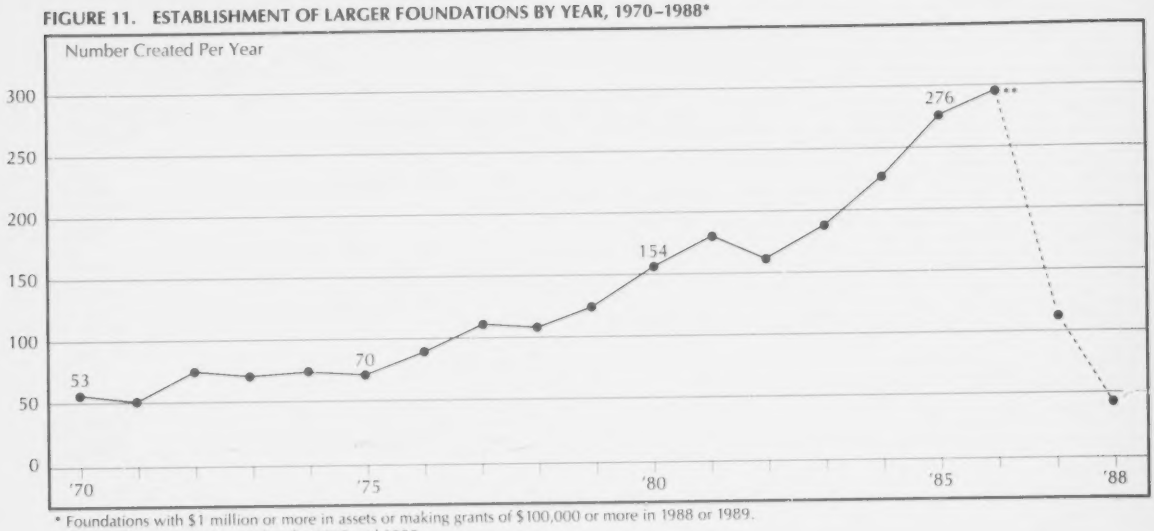
Figure 11 and Table 28 map from year to year the decline and recovery in foundation formation that took place after 1969. Only 53 foundations active today with assets of at least $1 million or paying out $100,000 in grants were

TABLE 27. FOUNDATION BIRTHS BY YEAR FOR LARGER FOUNDATIONS*

Decade Created	All Foundations		Independent		Corporate		Community	
	Total Population	No. Per Year	Total Population	No. Per Year	Total Population	No. Per Year	Total Population	No. Per Year
1920-1929	164	16	126	13	5	—	22	2
1930-1939	205	21	186	19	8	—	5	—
1940-1949	759	76	665	66	63	6	15	1
1950-1959	1,808	181	1,428	143	334	33	28	3
1960-1969	1,466	147	1,221	122	189	19	26	3
1970-1979	839	84	677	68	104	10	42	4
1980-1988[1]	1,620	180	1,341	149	203	22	29	3

* Foundations with $1 million or more in assets or making grants of $100,000 or more in 1989. Operating foundations are excluded from this table.
[1] Computation of the number of foundation births per year for the 1980s is based on nine years of data (1980-1988), although the IRS tax records for 1988 (and to a lesser extent, for 1987) are not yet complete. When complete, the number of births per year can be expected to increase.

FIGURE 11. ESTABLISHMENT OF LARGER FOUNDATIONS BY YEAR, 1970–1988*



* Foundations with $1 million or more in assets or making grants of $100,000 or more in 1988 or 1989.
** Data on formation is incomplete for 1987 and 1988.

TABLE 28. NUMBER OF LARGER FOUNDATIONS CREATED PER YEAR AFTER 1969 AND AGGREGATE ASSETS*

1970s			1980s		
Year	No.	'89 Assets	Year	No.	'89 Assets
1970	53	$ 3,477,656	**1980**	154	$ 712,800
1971	50	263,264	**1981**	180	1,191,662
1972	83	781,306	**1982**	157	1,077,766
1973	75	757,366	**1983**	189	1,464,640
1974	81	698,842	**1984**	228	1,294,191
1975	70	1,509,640	**1985**	276	1,380,641
1976	89	858,601	**1986**	299	1,679,234
1977	113	1,118,337	**1987**[1]	104	347,124
1978	107	1,003,759	**1988**[1]	30	124,221
1979	118	957,699	**1989**[1]	3	66,424
Total	**839**	**$11,426,469**	**Total**	**1,620**	**$9,338,702**

* Foundations with at least $1 million in assets or making grants of $100,000 or more in 1989.
[1] Data incomplete; trend analysis cannot be determined from post-1986 data.

created in 1970. Annual establishment numbers had doubled by 1977, tripled by 1980, more than quadrupled by 1984, and increased by six-fold in 1986, when 299 foundations were established.

The drop off in 1987 and 1988 reflects incomplete data rather than a confirmed change in trend. These numbers can be expected to rise substantially. It is possible, however, that the chilling effect of the stock market crash, ending an era of unprecedented accumulation of wealth, and the subsequent tilt towards recession, may indeed have arrested, at least temporarily, the spiral of new foundation formation. The Center will continue to monitor this phenomena over the next few years.

Giving and Growth of Independent, Corporate & Community Foundations

The use of the name "foundation" can sometimes prove confusing to the public and even to grantmakers themselves. Not only are there important operational and legal distinctions between private foundations and other types of charitable programs, but sharp contrasts exist between different types of private foundations (Figure 12). Foundation type, moreover, as much as foundation size, strongly determines patterns of giving and growth.

In general, the Foundation Center defines a private foundation as a nonprofit, nongovernmental organization with a principal endowment of its own that maintains or aids charitable, educational, religious, or other activities serving the public good, primarily by making grants to other nonprofit organizations. Private foundations derive their funds from a single source, such as an individual, a family, or a corporation, and their activities are governed by specific rules and regulations set in the tax code (see Appendix A, "Regulation of Foundations").[1]

Some private foundations are organized as operating foundations that conduct their own research program or provide a direct service. Operating foundations generally make few, if any, grants to other nonprofit organizations. Community foundations function in much the same way as private foundations, but because their funds are drawn from many donors, they are usually classified as "public charities."

The Center's analysis of 1989 giving and of trends across the decade is primarily concerned with three types of foundations: independent foundations (also known as family foundations when the donor or family members are still closely involved with management and decision-making), corporate or company-sponsored foundations, and community foundations.

[1] For a more detailed summary of the differences between various types of foundations and the federal regulations that govern them, see the Foundation Center's *Foundation Fundamentals*; see also John Edie's *First Steps in Starting a Foundation*, Council on Foundations, 1987.

Independent Foundations

Independent foundations, which comprise by far the largest segment of the universe and perhaps the most diverse, continued to grow in 1989 although much more modestly than through 1987. Because most of the top ranking foundations by assets and grants are independent, trends described in the preceding section relating to large foundations apply equally to independents.

HIGHLIGHTS OF 1989 GIVING:

- In 1989 independent foundations awarded nearly $6 billion dollars in grants and contributions, up by 7 percent from 1988. Independent foundation year-end asset values increased from $104 billion to $118 billion, up by 13 percent. Grants as a percent of assets (excluding loans, PRIs, and grant-related expenses) dropped from 5.3 percent in 1988 to 5.1 percent in 1989.
- 28,669 independent foundations reported grant activity in 1989, up by 14 percent from around 25,000 active in 1987. The overwhelming majority of new foundations formed in the second half of the decade were family-sponsored or independent, reflecting increased interest in the foundation vehicle among wealthy individuals.
- Independent foundations account for fully 90 percent of the total number of grantmaking foundations and are responsible for about 76 percent of the foundation grant dollars awarded annually (Table 2).
- Of the 28,669 active independent foundations, only 5,516, or 19 percent, awarded grants of $100,000 or more in 1989 or 1988 (Table 29). In 1989 these foundations distributed $5.5 billion or about 92 percent of grant dollars of all independent foundations.

- Approximately 6,462 independent foundations (23 percent) held assets of at least $1 million in 1989, yet together they held 96 percent of assets of all independent foundations or roughly $113 billion (Table 30).
- To qualify for ranking among the 50 largest independent foundations by total grants in 1989, the minimum grant level was just under $13 million compared with the maximum of nearly $218 million distributed by the Ford Foundation (Table 31). Among the top ten foundations, the threshold for grants was $46 million, slightly less than in 1988. In addition to Ford, three foundations distributed at least $100 million in grants: the Pew Charitable Trusts, the MacArthur Foundation, and the Kellogg Foundation.
- Among the 50 largest independent foundations by assets, qualifying asset values ranged from the William Randolph Hearst Foundation's nearly $312 million to Ford Foundation's $5.8 billion (Table 32). Nine independent foundations held assets of at least $1 billion; assets of the top five—Ford, Kellogg, Lilly, Pew, and MacArthur—all exceeded $3 billion.
- Bequests combined with gifts from living donors to independent foundations totaled $3.7 billion in 1989, up 11 percent from gifts received in 1988. Twenty-nine independent foundations received gifts of at least $10 million (Table 33).
- Among the largest gifts in 1989 were $231.6 million to the Conrad N. Hilton Foundation, which splits its administrative offices between Nevada and California, and four additional gifts in excess of $100 million to the Robert W. Woodruff Foundation (GA), H. N. and Frances C. Berger Foundation (CA), David and Lucile Packard Foundation (CA), and the Lucille P. Markey Charitable Trust (FL). With the exception of gifts from David Packard to his foundation, all of the largest gifts were in the form of bequests.
- Two independent foundations that experienced dramatic growth in 1988 and whose gifts or bequests do not appear in the table of gifts received in 1989 include the Beatrice P. Delany Charitable Trust (NY), formed in 1977, which grew from $74 million in 1987 to $138 million in 1989; and the E. Rhodes and Leona B. Carpenter Foundation (PA), created in 1975, which jumped from $16 million in

FIGURE 12. GENERAL CHARACTERISTICS OF FOUR TYPES OF FOUNDATIONS

Foundation Type	Description	Source of Funds	Decision-Making Activity	Grantmaking Requirements	Reporting
Independent Foundation	An independent grantmaking organization established to aid social, educational, religious, or other charitable activities.	Endowment generally derived from a single source such as an individual, a family, or a group of individuals. Contributions to endowment limited as to tax deductibility.	Decisions may be made by donor or members of donor's family; by an independent board of directors or trustees; or by a bank or trust officer acting on donor's behalf.	Broad discretionary giving allowed but may have specific guidelines and give only in a few specific fields. About 70% limit their giving to local area.	Annual information returns 990-PF filed with IRS must be made available to public. A small percentage issue separately printed annual reports.
Company-sponsored Foundation	Legally an independent grantmaking organization with close ties to the corporation providing funds.	Endowment and annual contributions from a profit-making corporation. May maintain small endowment and pay out most of contributions received annually in grants, or may maintain endowment to cover contributions in years when corporate profits are down.	Decisions made by board of directors often composed of corporate officials, but which may include individuals with no corporate affiliation. Decisions may also be made by local company officials.	Giving tends to be in fields related to corporate activities or in communities where corporation operates. Usually give more grants but in smaller dollar amounts than independent foundations.	Same as above.
Operating Foundations	An organization which uses its resources to conduct research or provide a direct service.	Endowment usually provided from a single source, but eligible for maximum tax deductible contributions from public.	Decisions generally made by independent board of directors.	Makes few, if any, grants. Grants generally related directly to the foundation's program.	Same as above.
Community Foundations	A publicly-sponsored organization which makes grants for social, educational, religious, or other charitable purposes in a specific community or region.	Contributions received from many donors. Usually eligible for maximum tax deductible contributions from public.	Decisions made by board of directors representing the diversity of the community.	Grants generally limited to charitable organizations in local community.	IRS 990 return available to public. Many publish full guidelines or annual reports.

TABLE 29. ANALYSIS OF INDEPENDENT FOUNDATIONS BY GRANTS*

Grants Range	Number of Foundations	%	Grants	%
$10 million +	79	0.3	$2,235	37.3
$1 million–$10 million	758	2.6	1,923	32.1
$100,000–$1 million	4,679	16.3	1,335	22.1
Under $100,000	23,153	80.7	499	8.3
Total	**28,669**	**100.0%**	**$5,992**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

1986 to nearly $91 million in 1988. The Delany Trust distributed over $8 million in grants in 1989, most of it in the Chicago area for education, hospitals, and religion; the Carpenter Foundation paid out $1.2 million in grants for the arts, education, and health.

GROWTH OF LARGE INDEPENDENT FOUNDATIONS IN THE 1980s

To measure growth of independent foundations over the decade, we rely on information that has been consistently gathered on the largest foundations—those with $1 million or more in assets or which pay out at least $100,000—and published in various editions of *The Foundation Directory*. An analysis of these foundations reveals the following trends in giving and assets (Table 34):

1. The number of qualifying foundations increased by 134 percent from 1979 to 1989, from 2,618 to over 6,147.
2. Grants increased by 174 percent in dollar value, from $1.9 billion to $5.2 billion. When adjusted for inflation, the increase was reduced to 60 percent. Growth in total grants through 1981 was seriously weakened by inflation. Peak years of growth were 1984 to 1987.
3. Assets nearly tripled from 1979 to 1989, from $34 billion to $110 billion. In constant dollars, assets of the larger independent foundations doubled. From 1975 through 1981, the value of assets when adjusted for inflation declined every year. This serious decline reversed after 1981, and gains through mid-1987, when the stock market tumbled, were impressive and continuous. The decade ended with modest gains posted between year-end 1987 and 1989 as the stockmarket recovered from its earlier losses.

PROSPECTS FOR GROWTH

Short-term. Based on the substantial gains in asset values of the largest independent foundations reported in 1989, including very healthy increases in endowments, and a fairly stable stock market in 1990, growth in grant programs in 1990 was expected to far surpass the seven percent gains shown in 1989.

Long-term. The jump in the rate of formation of new independent foundations in the 1980s adds great potential for growth into the 1990s and beyond. Most new foundations, unless established by bequest, are small when first formed. Over the next decade, as estates of the founders are passed on to foundations, these endowments will greatly enrich the asset base of independent foundations.

OTHER TRENDS IN THE 1980s

Consolidation. Mergers and administrative consolidation of family-related trusts and foundations have led to far larger foundation entities. The Pew Charitable Trusts, while still seven separate legal entities, now function as a single grantmaking foundation with a single set of officers and directors. With combined assets of $3.3 billion in 1989, the trusts now rank fifth among the largest independent foundations by assets. A legal merger took place among four of the Wallace family foundations to form the Dewitt Wallace-Reader's Digest Fund, which now ranks seventeenth by size of assets ($697 million).

Staffing. According to Foundation Center annual surveys initiated in 1985, the number of staffed independent foundations has increased sharply but the number of staff per foundation has dropped. Between 1987 and 1990 the number of independent foundations covered by the survey jumped from only 4,100 to over 6,100, the number of foundations reporting staff increased by 435 foundations, and the total number of staff increased from 4,100 to over 5,700. The average number of staff

TABLE 30. ANALYSIS OF INDEPENDENT FOUNDATIONS BY ASSETS*

Asset Range	Number of Foundations	%	Assets	%	Grants	%
$50 million +	307	1.1	$ 78,695	66.8	$3,118	52.1
$10 million–$50 million	889	3.1	18,464	15.7	982	16.4
$1 million–$10 million	5,266	18.3	16,028	13.6	1,125	18.8
Under $1 million	22,207	77.4	4,755	4.0	766	12.8
Total	**28,669**	**100.0%**	**$117,941**	**100.0%**	**$5,992**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

TABLE 31. 50 LARGEST INDEPENDENT FOUNDATIONS BY TOTAL GRANTS*

Foundation	Grants*	Assets	Fiscal Date
1. Ford Foundation	$217,669,414	$5,832,426,000	09/30/89
2. Pew Charitable Trusts	137,083,529	3,321,890,529	12/31/89
3. John D. and Catherine T. MacArthur Foundation	117,298,000	3,243,000,000	12/31/89
4. W. K. Kellogg Foundation	106,948,094	4,201,240,259	08/31/89
5. Robert Wood Johnson Foundation	98,600,000	2,608,347,000	12/31/89
6. Lilly Endowment	92,510,387	3,357,904,453	12/31/89
7. Andrew W. Mellon Foundation	75,501,129	1,832,347,000	12/31/89
8. Rockefeller Foundation	65,717,663	2,140,244,924	12/31/89
9. Kresge Foundation	55,645,000	1,261,100,053	12/31/89
10. Duke Endowment	45,904,739	990,835,850	12/31/89
11. Charles Stewart Mott Foundation	43,795,989	961,114,454	12/31/89
12. Lucille P. Markey Charitable Trust	43,115,626	215,460,532	06/30/89
13. Carnegie Corporation of New York	39,306,029	905,106,313	09/30/89
14. Houston Endowment	37,401,700	681,477,402	12/31/89
15. William and Flora Hewlett Foundation	36,970,028	687,664,000	12/31/89
16. W. M. Keck Foundation	35,286,000	764,433,113	12/31/89
17. McKnight Foundation	31,961,975	917,641,548	12/31/89
18. David and Lucile Packard Foundation	27,675,502	245,887,758	12/31/89
19. William Penn Foundation	25,491,488	470,442,587	12/31/89
20. Moody Foundation	24,097,184	442,760,000	12/31/89
21. Gannett Foundation	22,521,000	653,019,000	12/31/89
22. Harry and Jeanette Weinberg Foundation	21,610,699	652,781,387	02/28/90
23. Brown Foundation	21,090,350	413,019,005	06/30/89
24. Lynde and Harry Bradley Foundation	20,583,373	375,854,838	07/31/89
25. Aaron Diamond Foundation	20,558,915	116,423,129	12/31/89
26. James Irvine Foundation	20,487,000	540,000,000	12/31/89
27. Ahmanson Foundation	20,150,353	437,995,000	10/31/89
28. Robert R. McCormick Charitable Trust	19,904,476	630,994,902	12/31/89
29. Starr Foundation	19,759,351	687,307,919	12/31/89
30. Henry Luce Foundation	19,589,345	419,279,061	12/31/89
31. Edna McConnell Clark Foundation	19,551,226	414,258,000	09/30/89
32. Arnold and Mabel Beckman Foundation	19,343,124	179,263,236	08/31/89
33. J. E. and L. E. Mabee Foundation	18,664,903	494,281,654	08/31/89
34. Meadows Foundation	18,608,011	476,217,532	12/31/89
35. Surdna Foundation	18,205,839	312,534,326	06/30/89
36. Weingart Foundation	18,136,124	404,198,697	06/30/89
37. Bush Foundation	17,387,493	417,968,000	11/30/89
38. Alfred P. Sloan Foundation	17,249,581	622,070,457	12/31/89
39. Autry Foundation	17,042,492	41,119,961	12/31/88
40. Knight Foundation	16,665,311	581,138,052	12/31/89
41. Orville D. & Ruth A. Merillat Foundation	15,708,214	36,811,040	02/28/90
42. Richard King Mellon Foundation	15,431,712	876,877,690	12/31/89
43. William K. Warren Foundation	15,372,500	299,890,994	12/31/89
44. Howard Heinz Endowment	15,299,077	433,860,577	12/31/88
45. Longwood Foundation	15,117,664	336,356,687	09/30/89
46. John M. Olin Foundation	14,840,000	90,000,000	12/31/89
47. Smith Richardson Foundation	13,905,694	294,062,506	12/31/89
48. McCune Foundation	13,364,994	251,109,513	09/30/89
49. Northwest Area Foundation	12,998,505	228,378,768	02/28/90
50. Arthur S. DeMoss Foundation	12,933,528	350,728,188	12/31/88

* Includes grants, scholarships, and employee matching gifts; excludes loans, PRIs, and program expenses.

TABLE 32. 50 LARGEST INDEPENDENT FOUNDATIONS BY ASSET SIZE

Foundation	Assets	Grants	Fiscal Date
1. Ford Foundation	$5,832,426,000	$217,669,414	09/30/89
2. W. K. Kellogg Foundation	4,201,240,259	106,948,094	08/31/89
3. Lilly Endowment	3,357,904,453	92,510,387	12/31/89
4. Pew Charitable Trusts	3,321,890,529	137,083,529	12/31/89
5. John D. and Catherine T. MacArthur Foundation	3,243,000,000	117,298,000	12/31/89
6. Robert Wood Johnson Foundation	2,608,347,000	98,600,000	12/31/89
7. Rockefeller Foundation	2,140,244,924	65,717,663	12/31/89
8. Andrew W. Mellon Foundation	1,832,347,000	75,501,129	12/31/89
9. Kresge Foundation	1,261,100,053	55,645,000	12/31/89
10. Duke Endowment	990,835,850	45,940,739	12/31/89
11. Charles Stewart Mott Foundation	961,114,454	43,795,989	12/31/89
12. McKnight Foundation	917,641,548	31,961,975	12/31/89
13. Carnegie Corporation of New York	905,106,313	39,306,029	09/30/89
14. Richard King Mellon Foundation	878,877,690	15,431,712	12/31/89
15. W. M. Keck Foundation	764,433,113	35,286,000	12/31/89
16. Robert W. Woodruff Foundation	755,690,077	8,731,763	12/31/89
17. DeWitt Wallace—Reader's Digest Fund	697,122,307	8,305,887	12/31/89
18. William and Flora Hewlett Foundation	687,664,000	36,970,028	12/31/89
19. Starr Foundation	687,307,919	19,759,351	12/31/89
20. Houston Endowment	681,477,402	37,401,700	12/31/89
21. Gannett Foundation	653,019,100	22,521,000	12/31/89
22. Harry and Jeanette Weinberg Foundation	652,781,387	21,610,699	02/28/90
23. Robert R. McCormick Charitable Trust	630,994,902	19,904,476	12/31/89
24. Alfred P. Sloan Foundation	622,070,457	17,249,581	12/31/89
25. Knight Foundation	581,138,052	16,665,311	12/31/89
26. James Irvine Foundation	540,000,000	20,487,000	12/31/89
27. Lila Wallace—Reader's Digest Fund	527,739,800	11,086,288	12/31/89
28. J. E. and L. E. Mabee Foundation	494,281,654	18,664,903	08/31/89
29. Conrad N. Hilton Foundation	492,092,546	10,179,630	02/28/90
30. Meadows Foundation	476,217,532	18,608,011	12/31/89
31. William Penn Foundation	470,442,587	25,491,488	12/31/89
32. Moody Foundation	442,760,000	24,097,184	12/31/89
33. Ahmanson Foundation	437,995,000	20,150,353	10/31/89
34. Howard Heinz Endowment	433,860,577	15,299,077	12/31/88
35. Henry Luce Foundation	419,279,061	19,589,345	12/31/89
36. Bush Foundation	417,968,000	17,387,493	11/30/89
37. Edna McConnell Clark Foundation	414,258,000	19,551,226	09/30/89
38. Brown Foundation	413,019,005	21,090,350	06/30/89
39. Henry J. Kaiser Family Foundation	408,513,703	12,846,314	12/31/89
40. Weingart Foundation	404,198,697	18,136,124	06/30/89
41. Lynde and Harry Bradley Foundation	375,854,838	20,583,373	07/31/89
42. Arthur S. DeMoss Foundation	350,728,188	12,933,528	12/31/88
43. Joyce Foundation	348,286,228	12,816,299	12/31/89
44. Samuel Roberts Noble Foundation	345,256,786	5,016,118	10/31/89
45. Longwood Foundation	336,356,687	15,117,664	09/30/89
46. Hall Family Foundations	323,873,343	4,581,115	12/31/89
47. Herbert H. and Grace A. Dow Foundation	322,100,616	6,462,689	12/31/89
48. Commonwealth Fund	314,132,587	10,553,889	06/30/89
49. Surdna Foundation	312,534,326	18,205,839	06/30/89
50. William Randolph Hearst Foundation	311,735,927	8,387,500	12/31/89

TABLE 33. LARGEST INDEPENDENT FOUNDATIONS BY GIFTS RECEIVED

Foundation		Gifts Received	Assets	Fiscal Date
1. Conrad N. Hilton Foundation	NV	**$231,630,125**	$ 492,092,546	02/28/90
2. Robert W. Woodruff Foundation	GA	**192,765,505**	755,690,077	12/31/89
3. H. N. and Frances C. Berger Foundation	CA	**157,799,313**	167,872,312	12/31/89
4. David and Lucile Packard Foundation	CA	**126,789,104**	245,887,758	12/31/89
5. Lucille P. Markey Charitable Trust	FL	**114,053,626**	215,460,532	06/30/89
6. Milken Family Foundation	CA	**105,276,297**	97,536,838	11/30/87
7. Colorado Trust	CO	**62,867,474**	232,899,690	12/31/89
8. Milken Family Medical Foundation	CA	**50,219,395**	68,953,318	10/31/88
9. Ledler Foundation	CA	**46,706,631**	52,268,278	12/31/88
10. Moriah Fund	IN	**39,600,378**	130,381,123	12/31/89
11. Bryant Foundation	VA	**33,887,522**	33,058,289	12/31/89
12. Wayne & Gladys Valley Foundation	CA	**31,295,000**	70,159,697	09/30/89
13. Gordon and Mary Cain Foundation	TX	**29,186,000**	29,683,832	12/31/88
14. Arison Foundation	FL	**27,860,000**	39,406,414	06/30/89
15. Hall Family Foundation	MO	**27,000,000**	323,873,343	12/31/89
16. Mary Moody Northen	TX	**26,866,594**	55,888,344	06/30/89
17. J. Willard Marriott Foundation	DC	**24,669,949**	39,957,031	12/31/88
18. Harry and Jeanette Weinberg Foundation	MD	**21,427,820**	652,781,387	02/28/90
19. Helmerich Foundation	OK	**18,690,886**	41,744,771	09/30/89
20. John and Mary R. Markle Foundation	NY	**16,228,277**	99,068,908	06/30/89
21. R. D. & Joan Dale Hubbard Foundation	TX	**16,187,500**	19,019,915	12/31/88
22. Frey Foundation	MI	**16,087,500**	16,352,469	12/31/88
23. Foellinger Foundation	IN	**15,944,599**	101,792,690	08/31/89
24. Harry B. Helmsley Foundation	NY	**15,000,000**	31,496,487	05/31/87
25. J. F. Maddox Foundation	NM	**14,772,299**	68,464,901	06/30/89
26. Joseph and Bessie Feinberg Foundation	IL	**14,185,960**	49,130,116	10/31/88
27. Z. Smith Reynolds Foundation	NC	**12,675,824**	220,214,158	12/31/89
28. Aaron Diamond Foundation	NY	**11,752,372**	126,198,026	12/31/88
29. William Penn Foundation	PA	**10,938,202**	470,442,587	12/31/89

positions per foundation dropped from 4.94 to 4.51. The staff of the Ford Foundation increased from 534 in 1987 to 561 in 1990 (from 1989 to 1990 Ford showed virtually no increase in staff). In all, eleven independent foundations report a staff of 50 or above, up from eight in 1989.

Consolidation has led to an increase in the number of foundations sharing staff. Ninety-two independent foundations currently report that they share staff. To avoid double counting of staff positions, these foundations are not included in the numbers reported above.

Corporate Foundations

Like independent foundations, corporate foundations, also known as company-sponsored, are classified as "private" foundations and are therefore subject to the same regulatory and reporting requirements applicable to that tax status. Their basic operations, however, differ substantially. A corporate foundation usually maintains close ties with the parent company that has provided its endowment and continues to make annual contributions to it. A corporate foundation's board and staff are usually composed of individuals who also hold positions within the parent company, and its giving program often reflects the corporate interests and geographic areas in which the parent company operates.

Foundations represent only one of many channels corporations use to make charitable contributions. Corporations may also make both cash and "in-kind" contributions of equipment, office space, staff time, etc., through a direct giving program administered wholly within the company and drawn from the company's pretax earnings. The following statistics include only corporate foundations. Key information on nearly 500 direct

TABLE 34. GROWTH OF LARGER INDEPENDENT FOUNDATION GRANTS AND ASSETS, 1975–1989*

Year	Number of Foundations	Grant Dollars (in billions)				Assets (in billions)			
		Current Dollars		Constant Dollars[1]		Current Dollars		Constant Dollars[1]	
		Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
1975	2,284	$1.47		$0.91		$25.56		$15.85	
1977	2,470	1.63	11.0%	0.90	(1.3%)	28.75	12.5	15.84	(0.1%)
1979	2,618	1.91	16.8	0.88	(2.5)	33.83	17.7	15.56	(1.8)
1981	3,208	2.58	35.2	0.95	7.9	41.53	22.8	15.24	(2.1)
1983	3,466	2.90	12.2	0.97	2.4	52.71	26.9	17.66	15.9
1985	4,100	3.72	28.1	1.15	18.9	75.66	43.5	23.45	32.8
1987	5,383	4.62	24.1	1.36	17.7	90.41	19.5	26.58	13.3
1989	6,147	5.24	13.5	1.41	3.9	109.65	21.3	29.50	11.0

Source: 1975-1987: *The Foundation Directory*, Editions 6-12; 1989 data: the Foundation Center database.

* Includes independent foundations with assets of at least $1 million or making grants of $100,000 in the year reported. These larger foundations hold 93 percent of assets and award 94 percent of grants of all independent foundations.

[1] Constant Dollars based on 1967=$1.00; 1975=$.62; 1977=$.551; 1979=$.46; 1981=$.367; 1983=$.335; 1985=$.335; 1987=$.294; 1989=$.269.

TABLE 35. ANALYSIS OF CORPORATE FOUNDATIONS BY GRANTS*

Grants Range	Number of Foundations	%	Grants	%
$10 million +	22	1.4	$ 362	26.5
$5 million–$10 million	42	2.6	300	22.0
$1 million–$5 million	214	13.5	451	33.0
$100,000–$1 million	636	40.1	230	16.9
Under $100,000	673	42.3	23	1.6
Total	**1,587**	**100.0%**	**$1,366**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

giving programs is available, however, in the *National Directory of Corporate Giving*. The directory also includes entries on nearly 1,600 corporate foundations.

HIGHLIGHTS OF 1989 GIVING

Corporate foundation giving remained steady in 1989, despite drops in corporate profits. On the whole, however, there were some troubling signs as grants to charitable organizations far surpassed gifts to foundations by their companies.

- In 1989 corporate foundations paid out nearly $1.37 billion in grants and contributions, up by nearly 8 percent from 1988, while gifts by companies to their foundations (pay-in) declined from $1.2 billion to $1.1 billion (Table 2). Payout exceeded pay-in by nearly $255 million (23 percent), the largest gap since the recession of the early 1980s. The 1988 gap was under 4 percent.
- Despite the drop in pay-in and the increase in giving, corporate foundation assets rose from $5.1 to $5.7 billion. This 12 percent increase in asset values appears to reflect the strong recovery of the market in 1989 as well as the addition of assets of newly established or newly endowed corporate foundations.
- 1,587 corporate foundations were identified by the Foundation Center in 1989, up by one-fifth from the 1,295 identified in 1987. The proportion of companies that sponsor foundations has climbed considerably. According to the latest Conference Board report, the proportion of companies with foundations jumped from 42 percent in 1977 to 64 percent in 1989.[2]
- Corporate foundations make up only 5 percent of the total number of all U.S. grantmaking foundations but are responsible for 17 percent of grant dollars awarded and 20 percent of gifts received by foundations (Table 2).
- Of the 1,587 corporate foundations, 914 (58 percent) awarded grants of at least $100,000 in 1988 or 1989 (Table 35). This group was responsible for over 98 percent of all grant dollars paid by corporate foundations in 1989 or $1.34 billion.
- Unlike independent foundations, most corporate foundations do not have large endowments and depend on their sponsoring companies for continued contributions. Nonetheless, 609 corporate foundations (38 percent) hold at least $1 million in assets and these account for 83 percent of total grants paid (Table 36). Only 145 corporate foundations (9 percent) maintain assets of $10 million or more, yet they account for fully half of all corporate foundation grants.
- Among the 50 largest company foundations ranked by grants, the contribution amount ranged between $6.3 million at the low end and $30.4 million paid by the AT&T Foundation (Table 37). AT&T has ranked first in giving since soon after its establishment in 1984, but its grant level has scarcely grown since 1986. Among the top ten foundations, the grant threshold began at $15.5 million, up only slightly since 1988.
- A newcomer to the top ten corporate givers was the fifth-ranked US WEST Foundation, one of the "Baby Bell" company foundations formed after AT&T's divestiture. A Colorado foundation established in 1985 and formerly known as Mountain Bell, US WEST paid out nearly $20 million in grants in 1989 after receiving gifts from the company of $25 million. Another "Baby Bell" foundation, Southwestern Bell Foundation

[2]Anne Klepper, *Corporate Contributions, 1989*, The Conference Board, 1991.

TABLE 36. ANALYSIS OF CORPORATE FOUNDATIONS BY ASSETS*

Asset Range	Number of Foundations	%	Assets	%	Grants	%
$50 million +	16	1.1	$1,478	25.8	$ 188	13.7
$10 million–$50 million	129	8.1	2,426	42.3	484	35.4
$1 million–$10 million	464	29.2	1,576	27.5	459	33.6
Under $1 million	978	61.7	248	4.4	235	17.2
Total	**1,587**	**100.0%**	**$5,727**	**100.0%**	**$1,366**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

(MO), ranked tenth in giving with total grants of $15.6 million.

- While a few of the largest company foundations increased their giving—notably General Motors, Amoco, and Ford Motor Company—many others merely held the line or reduced grants slightly. Even within specific industries, such as energy or automobile manufacturing, the results were mixed.
- Among the 50 largest corporate foundations by assets, year-end asset values started at $22.4 million and went as high as $250 million for the Alcoa Foundation (Table 38). The trend for asset growth in 1989 was mixed. Alcoa's assets increased by $35 million in 1989 and increases were posted by several telecommunications companies such as Ameritech and Pacific Telesis. Assets of other corporate leaders, such as General Motors and AT&T, declined.
- Among the very largest corporate foundations, sixteen reported assets of at least $50 million compared with only twelve in 1988. A newcomer to the fifteen largest corporate foundations was the FHP Foundation (CA), established in 1985 by FHP International Corporation, a holding company in the health services area. FHP reported assets of nearly $55 million and distributed $773,000 in grants in 1989 including support for direct delivery health care services, health education programs, programs for the elderly and chronically ill, and primary care projects in underserved areas.
- The aggregate value of gifts by companies to their foundations dropped in 1989 and the size of the largest gifts dropped. Twenty-two companies, as shown in Table 39, contributed at least $10 million to their foundations, fewer than in 1988; only five gifts of $20 million or more were made, the largest to Amoco Foundation ($30.4 million).

NEW AND LARGE CORPORATE FOUNDATIONS

Among newly established corporate foundations tracked by the Foundation Center, the following reported giving of over $1 million in either 1988 or 1989: USAA Trust (TX), established in 1987, total grants $2.6 million; Kroger Company Foundation (OH), established in 1987, total grants $2.5 million; IBM South Africa Projects Fund (NY), established in 1985, total grants $2.2 million; and Bell Atlantic Charitable Foundation (VA), established in 1987, total grants $2.1 million.

TABLE 37. 50 LARGEST CORPORATE FOUNDATIONS BY TOTAL GRANTS*

Foundation	Grants*	Assets	Fiscal Date
1. AT&T Foundation	$30,426,888	$126,766,000	12/31/89
2. General Motors Foundation	29,944,973	161,872,008	12/31/89
3. Amoco Foundation	23,991,838	68,480,472	12/31/89
4. Ford Motor Company Fund	23,301,862	82,532,360	12/31/89
5. US WEST Foundation	19,708,234	6,069,021	12/31/89
6. General Electric Foundation	18,834,164	32,613,000	12/31/89
7. Xerox Foundation	18,500,000	18,500,000	12/31/89
8. Exxon Education Foundation	18,233,815	42,621,000	12/31/89
9. GTE Foundation	18,043,847	21,455,383	12/31/89
10. Southwestern Bell Foundation	15,568,256	42,012,377	12/31/89
11. Shell Oil Company Foundation	15,233,402	14,067,360	12/31/89
12. Procter & Gamble Fund	14,622,593	24,259,320	06/30/89
13. Burlington Northern Foundation	14,590,777	18,405,341	12/31/88
14. Mobil Foundation	14,575,788	15,288,987	12/31/89
15. Prudential Foundation	14,386,965	104,344,000	12/31/89
16. American Express Foundation	11,736,028	1,501,402	12/31/89
17. Chrysler Corporation Fund	11,656,646	31,000,000	12/31/89
18. Dayton Hudson Foundation	11,452,875	16,700,000	01/31/90
19. Alcoa Foundation	11,403,961	250,314,828	12/31/89
20. Kraft General Foods Foundation	10,467,687	55,471,190	12/26/88
21. Rockwell International Corporation Trust	10,200,508	33,415,497	09/30/88
22. Westinghouse Foundation	10,095,522	6,324,210	12/31/89
23. Minnesota Mining and Manufacturing Foundation	9,410,293	42,173,581	12/31/88
24. Monsanto Fund	9,305,165	3,087,287	12/31/88
25. Anheuser-Busch Foundation	9,147,069	65,516,545	12/31/89
26. May Stores Foundation	9,021,907	21,967,898	12/31/88
27. General Mills Foundation	9,014,784	36,907,818	05/31/90
28. ARCO Foundation	8,982,865	982,882	12/31/89
29. Aetna Foundation	8,976,595	41,827,393	12/31/89
30. Eastman Kodak Charitable Trust	8,817,724	6,412,924	12/31/89
31. Johnson & Johnson Family of Companies Contribution Fund	8,786,363	3,145,000	12/31/89
32. Allied-Signal Foundation	8,727,954	340,363	12/31/88
33. Metropolitan Life Foundation	8,430,180	99,106,782	12/31/89
34. Morgan Guaranty Trust Company of New York Charitable Trust	8,310,746	4,775,595	12/31/89
35. Allstate Foundation	8,225,197	16,051,937	12/31/89
36. McDonnell Douglas Foundation	8,212,190	69,355,321	12/31/89
37. Pacific Telesis Foundation	8,153,343	62,460,587	12/31/89
38. Merck Company Foundation	7,898,791	40,477,998	12/31/89
39. Eli Lilly and Company Foundation	7,789,768	7,954,230	12/31/89
40. CIGNA Foundation	7,778,082	2,172,282	12/31/89
41. Honeywell Foundation	7,214,390	13,800,000	12/31/89
42. Robert Campeau Family Foundation (U.S.)	7,142,573	15,966,757	01/31/89
43. Union Pacific Foundation	7,129,000	852,020	12/31/89
44. TRW Foundation	7,058,855	20,976,217	12/31/88
45. First Bank System Foundation	6,862,143	1,780,302	12/31/88
46. PepsiCo Foundation	6,831,737	12,989,130	12/31/89
47. RJR Nabisco Foundation	6,806,508	61,470,682	12/31/89
48. Texaco Foundation	6,647,520	14,163,644	12/31/88
49. UPS Foundation	6,434,297	41,988,599	12/31/88
50. Emerson Charitable Trust	6,320,640	7,411,012	09/30/88

* Includes grants, scholarships, and employee matching gifts; excludes loans, PRIs, and program expenses.

PROFITS, CORPORATE GIVING, AND CORPORATE FOUNDATIONS

Pre-tax profits of U.S. corporations dropped by 2.8 percent in 1989, according to the Commerce Department, following two years of robust increases. Total corporate giving increased from an estimated $5.4 billion in 1988 to $5.6 billion in 1989, up about 3.7 percent. With profits down and giving up (although less than the rate of inflation), contributions as a percent of income before taxes increased slightly from 1.71 percent to 1.82 percent.

Corporate giving as a percent of pre-tax income reached its peak in 1986, at 2.34 percent, and then dropped off to current levels. Yet this high was "as much due to income decline as to contributions growth," the Conference Board points out in its annual corporate contributions survey. In fact, corporate contributions have often climbed when income before taxes dropped. This was the case in 1989, as it had been in 1985-86 and in 1980-82.

Using the Conference Board's 1989 corporate giving estimate of $5.6 billion, company-sponsored foundation giving of $1.37 billion reported by the Foundation Center represents approximately one-fourth of total corporate giving (the total includes cash, product, property and equipment, and securities). Foundation giving represents a significantly higher proportion of the total if only cash gifts are measured.

Among the Conference Board's sample of 333 primarily large companies reporting data in 1989, foundation giving represented 41 percent of total giving by these companies, up from 36 percent reported for 1987. (The largest share ever reported was 42 percent.) While that increase signals a reversal in trends, the proportion of giving through foundations still falls far short of the pro-

TABLE 38. 50 LARGEST CORPORATE FOUNDATIONS BY ASSET SIZE

Foundation	Assets	Grants	Fiscal Date
1. Alcoa Foundation	$250,314,828	$11,403,961	12/31/89
2. General Motors Foundation	161,872,008	29,944,973	12/31/89
3. AT&T Foundation	126,766,000	30,426,888	12/31/89
4. Prudential Foundation	104,344,000	14,386,965	12/31/89
5. Metropolitan Life Foundation	99,106,782	8,430,180	12/31/89
6. Ford Motor Company Fund	82,532,360	23,301,862	12/31/89
7. McDonnell Douglas Foundation	69,355,321	8,212,190	12/31/89
8. Amoco Foundation	68,480,472	23,991,838	12/31/89
9. Ameritech Foundation	67,026,856	4,148,271	12/31/89
10. Anheuser-Busch Foundation	65,516,545	9,147,069	12/31/89
11. Pacific Telesis Foundation	62,460,587	8,153,343	12/31/89
12. RJR Nabisco Foundation	61,470,682	6,806,508	12/31/89
13. Kraft General Foods Foundation	55,471,190	10,467,687	12/26/88
14. FHP Foundation	54,829,942	773,064	06/30/89
15. HCA Foundation	54,789,897	2,734,036	12/31/89
16. Kellogg Company 25-Year Employees Fund	42,904,864	2,098,288	12/31/88
17. Exxon Education Foundation	42,621,000	18,233,815	12/31/89
18. Minnesota Mining and Manufacturing Foundation	42,173,581	9,410,293	12/31/88
19. Southwestern Bell Foundation	42,012,377	15,568,256	12/31/89
20. UPS Foundation	41,988,599	6,434,297	12/31/88
21. Aetna Foundation	41,827,393	8,976,595	12/31/89
22. Steelcase Foundation	41,411,642	3,143,381	11/30/89
23. Merck Company Foundation	40,477,998	7,898,791	12/31/89
24. General Mills Foundation	36,907,818	9,014,784	05/31/90
25. BellSouth Foundation	36,845,185	3,119,146	12/31/89
26. Cargill Foundation	35,700,000	2,462,168	12/31/88
27. New York Life Foundation	34,729,453	2,227,077	12/31/88
28. Massey Foundation	33,633,600	1,367,250	11/30/89
29. Rockwell International Corporation Trust	33,415,497	10,200,508	09/30/88
30. General Electric Foundation	32,613,000	18,834,164	12/31/89
31. Fleet Charitable Trust	31,085,023	1,650,361	12/31/89
32. Hallmark Corporate Foundation	31,007,047	3,305,111	12/31/88
33. Chrysler Corporation Fund	31,000,000	11,656,646	12/31/89
34. GenCorp Foundation	30,354,561	1,125,409	11/30/89
35. Deluxe Corporation Foundation	27,866,903	3,383,014	12/31/89
36. Fidelity Foundation	27,729,050	2,340,004	12/31/89
37. NYNEX Foundation	27,720,000	2,000,000	12/31/88
38. Demoulas Foundation	27,080,448	1,102,961	12/31/89
39. Foundation of the Litton Industries	27,026,005	1,283,360	04/30/89
40. Gerber Companies Foundation	26,095,570	930,482	05/31/89
41. Continental Corporation Foundation	25,205,215	1,488,274	12/31/88
42. Abbott Laboratories Fund	24,684,514	2,115,473	12/31/88
43. Procter & Gamble Fund	24,259,320	14,622,593	06/30/89
44. Mead Corporation Foundation	24,036,953	3,285,535	12/31/89
45. Interco, Inc. Charitable Trust	23,452,229	1,043,787	12/31/88
46. Wisconsin Energy Corporation	23,201,851	2,322,810	12/31/88
47. Transamerica Foundation	22,941,805	1,075,143	12/31/88
48. Ohio Bell Foundation	22,537,892	2,381,684	12/31/89
49. Hitachi Foundation	22,457,673	1,363,593	03/31/89
50. May Stores Foundation	21,967,898	9,243,414	12/31/88

TABLE 39. LARGEST CORPORATE FOUNDATIONS BY GIFTS RECEIVED

Foundation		Gifts Received	Assets	Fiscal Date
1. Amoco Foundation	IL	$30,381,523	$68,480,472	12/31/89
2. Deluxe Corporation Foundation	MN	28,950,000	27,866,903	12/31/89
3. US WEST Foundation	CO	25,083,744	6,069,021	12/31/89
4. Mobil Foundation	VA	20,478,500	15,288,987	12/31/89
5. Rockwell International Corporation Trust	PA	20,000,000	33,415,497	09/30/88
6. Grace Foundation	NY	19,485,863	18,056,936	12/31/89
7. Xerox Foundation	CT	18,500,000	18,500,000	12/31/89
8. GTE Foundation	CT	17,696,375	21,455,383	12/31/89
9. Southwestern Bell Foundation	MO	16,000,000	42,012,377	12/31/89
10. General Mills Foundation	MN	15,054,600	36,907,818	05/31/90
11. Aetna Foundation	CT	14,991,825	41,827,393	12/31/89
12. General Electric Foundation	CT	12,695,000	32,613,000	12/31/89
13. American Express Foundation	NY	12,479,374	1,501,402	12/31/89
14. Dayton Hudson Foundation	MN	12,413,000	16,700,000	01/31/90
15. TRW Foundation	OH	11,780,000	20,976,217	12/31/88
16. Consolidated Papers Foundation	WI	10,830,671	21,360,667	12/31/89
17. Shell Oil Company Foundation	TX	10,562,107	14,067,360	12/31/89
18. Allstate Foundation	IL	10,000,000	16,051,937	12/31/89
19. Anheuser-Busch Foundation	MO	10,000,000	65,516,545	12/31/89
20. Dow Chemical Company Foundation	MI	10,000,000	10,583,000	12/31/88
21. Pacific Telesis Foundation	CA	10,000,000	62,460,587	12/31/89
22. Wisconsin Energy Corporation	WI	10,000,000	23,201,851	12/31/88

portion of companies in the sample that sponsor foundations, which has climbed to 64 percent.

The gap between dollars in and dollars out noted earlier for all corporate foundations was far more pronounced among the largest corporate foundations. Some companies—ARCO, for example, formerly the largest ranked by grants—have been forced to reduce the size of their foundations because of difficult times in their industry. Others are waiting for more profitable years in which to add to corpus. Since most company-sponsored foundations are not fully endowed and cannot live off investment income, continuation of the current trend may signal a "tightening of the foundation belt," according to the Conference Board's Anne Klepper.

GROWTH OF LARGE CORPORATE FOUNDATIONS IN THE 1980s

The growth pattern of corporate foundations contrasts sharply with independent foundations. Although corporate foundations have been operating for several decades, growth in corporate philanthropy was most pronounced in the 1970s and early 1980s. Corporate foundations fared much better than independent foundations in the inflationary economy of the 1970s; in the mid-1980s, however, many long-established corporate giants fell prey to reduced profits, slumping oil prices, and the turmoil of mergers and acquisitions. On the other side, several industries that prospered in the 1980s—telecommunications, utilities, and financial services, for example—were forming corporate foundations and bringing new resources to the field.

A ten-year analysis of corporate foundations with $1 million in assets or awarding at least $100,000 in grants (Table 40) reveals the following trends:

1. Qualifying corporate foundations increased from 602 in 1979 to 937 in 1989, up by about 56 percent. The sharpest increases in number occurred between 1979 and 1981 and between 1985 and 1987. By comparison, over the decade, growth in the number of independent foundations increased at a far higher rate. One principal cause was the high rate of termination—around 6 percent—among corporate foundations caused by recession and by company mergers and buyouts. (The rate of termination among independent foundations was less than 2 percent.)

2. Total corporate foundation grants tripled from $438 million in 1979 to $1.3 billion in 1989, or by $895 million, with the largest increase reported through 1981. Adjusted for inflation, the increase was about 78 percent. Grants of independent foundations, by comparison, grew 174 percent in current dollars and 60 percent in constant dollars. As a result, corporate foundations claimed an increasing share of total foundation giving. Corporate foundation giving continued to grow through 1987, though at a far lower rate than in the early 1980s. Growth of giving by the largest corporate foundations effectively ended after 1987 when measured against inflation.

3. Corporate foundation assets started at $2 billion in 1979 and rose to $5.5 billion in 1989, up 175 percent. In inflation adjusted dollars assets rose by only 61 percent. (For independent foundations, asset values tripled in the 1980s in current dollars but doubled when adjusted for inflation.) After declining in value at the beginning of the decade, when inflation was high, corporate foundations experienced solid growth in assets from 1983 to 1987. Growth declined sharply after 1987.

TABLE 40. GROWTH OF LARGER CORPORATE FOUNDATION GRANTS AND ASSETS, 1975–1989*

		Grant Dollars (in millions)				Assets (in millions)			
		Current Dollars		Constant Dollars[1]		Current Dollars		Constant Dollars[1]	
Year	Number of Foundations	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
1975	462	$ 244		$151		$1,211		$ 781	
1977	545	316	29.6%	174	15.2%	1,626	34.3%	896	19.3%
1979	602	438	38.5	202	15.6	2,008	23.5	924	3.1
1981	701	669	52.8	246	21.9	2,491	24.1	914	(1.0)
1983	723	804	20.1	269	9.6	2,996	20.2	1,004	9.8
1985	781	983	22.3	305	13.2	3,938	31.5	1,221	21.6
1987	904	1,254	27.6	369	21.0	4,966	26.1	1,460	19.6
1989	937	1,333	6.3	359	(2.8)	5,517	11.1	1,484	1.6

Source: 1975-1987: *The Foundation Directory*, Editions 6-12; 1989 data: the Foundation Center database.

*Includes only corporate foundations with assets of at least $1 million or making grants of $100,000 or more in the year reported. These larger foundations hold 96 percent of assets and award nearly 98 percent of grants of all corporate foundations.

[1] Constant Dollars based on 1967=$1.00; 1975=$.62; 1977=$.551; 1979=$.46; 1981=$.367; 1983=$.335; 1985=$.310; 1987=$.294; 1989=$.269.

TRENDS IN STAFFING

The restructuring and downsizing of companies have effectively reduced the staffing of corporate foundations. From 1987 to 1990 the number of corporate foundations surveyed by the Foundation Center rose from 781 to 937 and the number reporting paid staff increased from 240 to 320. However, during the same period, the total number of paid staff, after increasing through 1988, leveled off and then showed a slight decline. As a result, the average number of paid staff positions dropped from 3.9 to 3.2 per foundation.

Community Foundations

Community foundations represent a relatively small but extremely vital and influential component of the foundation universe. Not only were community foundations one of the fastest growing segments of philanthropy in the 1980s, but their leadership role increased along with stepped up demands for private initiatives to solve local problems, such as crime, drugs, AIDS, homelessness, and the failure of public schools.

The Foundation Center's 1990 survey uncovered 282 active community foundations, up from 256 reported in 1988 and 232 reported in 1987. These numbers do not include all of the more than 300 community foundations reported by the Council on Foundations, mainly due to differences in reporting on supporting organizations.

HIGHLIGHTS OF 1989 GIVING

- In 1989 community foundations distributed $427.3 million in grants, up by $22 million or just 5.4 percent from 1988 giving, and slightly lower than increases reported for independent foundations and corporate foundations (Table 1). Reduced growth was expected following an unprecedented increase of $92 million in giving (29 percent) in 1988, a year when assets rose by only 7 percent.
- Community foundations account for less than 1 percent of the total number of U.S. foundations but are responsible for 5.4 percent of grant dollars awarded and fully 10 percent of gifts received by foundations (Table 2).
- Community foundations experienced record asset value growth in 1989. Assets increased from $4.9 billion to $6 billion, up by more than $1 billion or 22 percent, far surpassing the rate of growth of independent and corporate foundations. Much of this growth reflected above average increases in year-end asset values of the largest community foundations as well as impressive gifts received.
- Of the 282 active community foundations tracked by the Foundation Center for fiscal year 1988 or 1989, 192 or 68 percent distributed grants of $100,000 or more (Table 41). Together these foundations paid out $424 million in grants or more than 99 percent of grant dollars of all community foundations.
- The disparity in size among community foundations is significant. Only 20 community foundations award $5 million or more in grants, yet together they account for nearly two-thirds of all dollars distributed by community foundations. The largest number of community foundations, 128, award grants in the range of $100,000 to under $1 million.
- Fully 209 of the 282 community foundations reporting grants to the Foundation Center (74 percent) reported assets of $1 million or over in 1988 or 1989 (Table 42). These foundations held

TABLE 41. ANALYSIS OF COMMUNITY FOUNDATIONS BY GRANTS*

Grants Range	Number of Foundations	%	Grants	%
$10 million +	9	3.2	$198	46.3
$5 million–$10 million	11	3.9	79	18.4
$1 million–$5 million	44	15.6	99	23.1
$100,000–$1 million	128	45.4	49	11.4
Under $100,000	90	31.9	3	0.8
Total	**282**	**100.0%**	**$427**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

TABLE 42. ANALYSIS OF COMMUNITY FOUNDATIONS BY ASSETS*

Asset Range	Number of Foundations	%	Assets	%	Grants	%
$50 million +	25	8.9	$4,358	72.6	$291	68.1
$10 million–$50 million	51	18.1	1,097	18.3	85	20.0
$5 million–$10 million	38	13.5	271	4.5	22	5.2
$1 million–$5 million	95	33.7	247	4.1	25	5.9
Under $1 million	73	25.9	29	.5	4	0.8
Total	**282**	**100.0%**	**$6,002**	**100.0%**	**$427**	**100.0%**

* Dollar figures in millions; due to rounding, figures may not add up.

more than 99 percent of community foundation assets. The 25 largest community foundations held assets of $50 million or more; together they held 73 percent of the assets of all community foundations. The largest number of community foundations—95—reported assets ranging from $1 million to $5 million, while the second largest number—73—had not yet reached the $1 million mark in asset accumulation.

- Community foundations qualifying for ranking among the 25 largest by total grants in 1989 ranged from Oregon Community Foundation, with grants of nearly $4.5 million, to New York Community Trust, with grants of $46.4 million (Table 43). Among foundations whose grants had increased significantly in 1989 were the Minneapolis Foundation (up from $9 million to nearly $18 million) and Foundation for the Carolinas (up from $5 million to nearly $10 million).
- Communities Foundation of Texas, the top-ranked community foundation in 1988 by grants ($44 million), dropped its giving back to pre-1988 levels in 1989 ($21 million). After collecting record gifts from donors in 1987, the foundation had doubled its grants budget in response to drastic local cuts in services in the Dallas area.
- Among the 25 largest community foundations by assets, year-end values of securities ranged from the Oregon Community Foundation's $51 million to the nearly $830 million held by the New York Community Trust (Table 44). A giant among community foundations, New York Community Trust added $195 million to its asset base in 1989, up by 31 percent. Second-ranked Cleveland Foundation, celebrating its 75th anniverary in 1989, reported asset gains of $81 million, raising its asset base to $580 million, up 16 percent. In all, of the 168 grantmaking foundations with assets of $100 million or more, eleven are community foundations.
- Unlike independent foundations, which rely primarily on investment performance to raise asset values, community foundations seek to raise their asset base both through return on investments and by annual solicitations of gifts. Additions to endowments increased from $428 million in 1988 to $554 million in 1989, up nearly 23 percent, and more than double the 11 percent

TABLE 43. 25 LARGEST COMMUNITY FOUNDATIONS BY TOTAL GRANTS*

Foundation	Grants*	Assets	Fiscal Date
1. New York Community Trust	**$46,422,562**	$829,783,809	12/31/89
2. Cleveland Foundation	**27,560,926**	579,897,967	12/31/89
3. Chicago Community Trust	**26,210,194**	316,431,057	09/30/89
4. Communities Foundation of Texas	**21,499,977**	152,028,702	06/30/89
5. Marin Community Foundation	**21,385,090**	456,903,000	06/30/89
6. Minneapolis Foundation	**17,664,957**	60,397,263	03/31/89
7. Boston Foundation	**12,966,006**	224,313,974	06/30/89
8. Columbus Foundation	**12,882,000**	156,000,000	12/31/89
9. San Francisco Foundation	**11,124,714**	193,526,511	06/30/89
10. Foundation For The Carolinas	**9,841,961**	52,085,210	12/31/89
11. Saint Paul Foundation	**8,976,940**	138,267,397	12/31/89
12. California Community Foundation	**8,686,382**	80,053,899	06/30/89
13. Greater Cincinnati Foundation	**7,830,187**	82,517,098	12/31/89
14. Hartford Foundation for Public Giving	**7,663,217**	148,444,598	09/30/89
15. Greater Kansas City Community Foundation and Its Affiliated Trusts	**6,699,249**	36,070,782	01/31/90
16. Pittsburgh Foundation	**6,332,614**	141,138,414	12/31/89
17. Kalamazoo Foundation	**6,205,451**	89,248,026	12/31/89
18. Winston-Salem Foundation	**6,035,414**	57,917,827	12/31/89
19. Metropolitan Atlanta Community Foundation, Inc.	**5,191,271**	81,033,448	06/30/89
20. Community Foundation of Greater Washington	**5,167,129**	11,036,450	12/31/88
21. Philadelphia Foundation	**4,914,946**	63,646,921	04/30/90
22. Dayton Foundation	**4,825,080**	28,950,103	12/31/89
23. New Haven Foundation	**4,801,002**	93,452,029	12/31/89
24. Seattle Foundation	**4,522,000**	31,518,556	06/30/88
25. Oregon Community Foundation	**4,459,661**	51,170,977	06/30/89

* Includes grants, scholarships, and employee matching gifts; excludes loans, PRIs, and program expenses.

TABLE 44. 25 LARGEST COMMUNITY FOUNDATIONS BY ASSET SIZE

Foundation	Assets	Grants	Fiscal Date
1. New York Community Trust	**$829,783,809**	$46,422,562	12/31/89
2. Cleveland Foundation	**579,897,967**	27,560,926	12/31/89
3. Marin Community Foundation	**456,903,000**	21,385,000	06/30/89
4. Chicago Community Trust	**316,431,057**	26,210,194	09/30/89
5. Boston Foundation	**224,313,974**	12,966,006	06/30/89
6. San Francisco Foundation	**193,526,511**	11,124,714	06/30/89
7. Columbus Foundation	**156,000,000**	12,882,000	12/31/89
8. Communities Foundation of Texas	**152,028,702**	21,499,977	06/30/89
9. Hartford Foundation for Public Giving	**148,444,598**	7,663,217	09/30/89
10. Pittsburgh Foundation	**141,138,414**	6,332,614	12/31/89
11. Saint Paul Foundation	**138,267,397**	8,976,940	12/31/89
12. New Haven Foundation	**93,452,029**	4,801,002	12/31/89
13. Hawaii Community Foundation	**91,155,029**	1,628,951	12/31/89
14. Kalamazoo Foundation	**89,248,026**	6,205,451	12/31/89
15. Milwaukee Foundation	**83,018,628**	4,004,551	12/31/89
16. Greater Cincinnati Foundation	**82,517,098**	7,830,187	12/31/89
17. Metropolitan Atlanta Community Foundation	**81,033,448**	5,191,271	06/30/89
18. California Community Foundation	**80,053,899**	8,686,382	06/30/89
19. Rhode Island Foundation/Rhode Island Community Foundation	**75,000,000**	3,421,521	12/31/89
20. Philadelphia Foundation	**63,646,921**	4,914,946	04/30/89
21. Indianapolis Foundation	**61,026,115**	2,967,065	12/31/89
22. Minneapolis Foundation	**60,397,263**	17,664,957	03/31/89
23. Winston-Salem Foundation	**57,917,827**	6,035,414	12/31/89
24. Foundation For The Carolinas	**52,085,210**	9,841,961	12/31/89
25. Oregon Community Foundation	**51,170,977**	4,459,661	06/30/89

growth rate posted by independent foundations. Gifts received by community foundations, moreover, exceeded grants by nearly $125 million, thereby assuring solid increases in asset values.

- Twelve community foundations received total gifts of at least $10 million, while 30 received total gifts of $5 million or more (Table 45). Among foundations receiving the largest total gifts (from many sources) were New York Community Trust ($36 million); Peninsula Community Foundation ($25.6 million); Communities Foundation of Texas ($24 million); and Foundation for the Carolinas (nearly $23 million).
- Another newly large community foundation not mentioned above was Hawaii Community Foundation, which increased its assets from $17 million to $91 million due to the transfer of funds of the Robert E. Black Memorial Trust, a new component fund. Hawaii Community Foundation now ranks among the top fifteen community foundations.

TABLE 45. LARGEST COMMUNITY FOUNDATIONS BY GIFTS RECEIVED

Foundation		Gifts Received	Assets	Fiscal Date
1. New York Community Trust	NY	**$36,291,336**	$829,783,809	12/31/89
2. Peninsula Community Foundation	CA	**25,605,292**	41,848,306	12/31/89
3. Communities Foundation of Texas	TX	**23,847,653**	152,028,702	06/30/89
4. Foundation For The Carolinas	NC	**22,670,561**	52,085,210	12/31/89
5. Saint Paul Foundation	MN	**19,336,604**	138,267,397	12/31/89
6. San Francisco Foundation	CA	**17,930,715**	193,526,511	06/30/89
7. Columbus Foundation	OH	**15,109,000**	156,000,000	12/31/89
8. Kalamazoo Foundation	MI	**14,265,444**	89,248,026	12/31/89
9. Boston Foundation	MA	**13,101,437**	224,313,974	06/30/89
10. Greater Cincinnati Foundation	OH	**12,273,360**	82,517,098	12/31/89
11. Metropolitan Atlanta Community Foundation	GA	**11,742,652**	81,033,448	06/30/89
12. Cleveland Foundation	OH	**11,668,054**	579,897,967	12/31/89
13. Louisville Community Foundation	KY	**9,799,239**	15,711,823	06/30/89
14. Chicago Community Trust	IL	**9,199,098**	316,431,057	09/30/89
15. Oregon Community Foundation	OR	**9,046,980**	51,170,977	06/30/89
16. Community Foundation of Greater Washington	DC	**8,617,592**	11,036,450	12/31/88
17. Greater Kansas City Community Foundation and Its Affiliated Trusts	MO	**8,145,333**	36,070,782	01/31/90
18. California Community Foundation	CA	**7,902,336**	80,053,899	06/30/89
19. San Diego Community Foundation	CA	**7,842,742**	39,074,744	06/30/89
20. Minneapolis Foundation	MN	**7,831,837**	60,397,263	03/31/89
21. Winston-Salem Foundation	NC	**7,547,233**	57,917,827	12/31/89
22. Hartford Foundation for Public Giving	CT	**7,455,422**	148,444,598	09/30/89
23. New Hampshire Charitable Fund	NH	**7,128,336**	49,504,886	12/31/89
24. Dayton Foundation	OH	**6,705,742**	28,950,103	12/31/89
25. Marin Community Foundation	CA	**6,656,660**	456,903,000	06/30/89
26. Rochester Area Foundation	NY	**6,388,332**	21,355,974	02/28/90
27. Dade Community Foundation	FL	**5,902,995**	17,947,263	12/31/89
28. Midland Foundation	MI	**5,785,963**	17,522,110	12/31/89
29. Utica Foundation	NY	**5,748,124**	8,956,512	12/31/88
30. Stark County Foundation	OH	**5,464,000**	31,462,000	12/31/89

GROWTH OF LARGE COMMUNITY FOUNDATIONS IN THE 1980s

Formation and growth patterns of community foundations have differed substantially from private and corporate foundations, as reported earlier in this report. While the 1950s and early 1960s were peak years for private foundation development, followed by a sharp decline in the 1970s, community foundations were expanding in the 1970s and have continued to grow.

A ten-year review of growth patterns of the larger community foundations—those with $1 million in assets or that award $100,000 in grants—reveals these findings (Table 46):

1. From 1979 to 1989 the number of qualifying community foundations nearly doubled from 95 to 186. The biggest jump occurred between 1981 and 1983, when 36 community foundations were newly qualifying. Starting in 1979, the development of community foundations had been actively promoted by the Council of Foundations and encouraged by special gift-matching programs of the Charles Stewart Mott Foundation, the Ford Foundation, and others.
2. Among these larger community foundations, grants more than quadrupled, from $102 million in 1979 to $420 million in 1989. After adjusting for inflation, the increase came to 140 percent. Over the same period, by comparison, independent foundations had raised total grants by far less—by 174 percent in current dollars and by 60 percent in constant dollars. The rate of growth was most pronounced from 1979 through 1983, and remained strong though 1987. By 1989 it had declined sharply, especially after adjusting for inflation.
3. Between 1979 and 1989 assets of the larger community foundations increased from $1.65 billion to over $5.9 billion, up 257 percent in current dollars and over 100 percent in constant dollars. Community foundation assets grew more rapidly than those of independent foundations when measured over ten years, in part because they had not suffered the same decline that characterized independent foundations from 1977 to 1981,

TABLE 46. GROWTH OF LARGER COMMUNITY FOUNDATION GRANTS AND ASSETS, 1975–1989*

Year	Number of Foundations	Grant Dollars (in millions)				Assets (in millions)			
		Current Dollars		Constant Dollars[1]		Current Dollars		Constant Dollars[1]	
		Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
1975	72	$ 69		$ 43		$1,154		$ 716	
1977	81	89	28.7%	49	14.4%	1,299	12.6%	716	0.0%
1979	95	102	14.9	47	4.0	1,655	27.4	761	6.4
1981	98	175	71.3	64	36.7	2,084	25.9	765	0.5
1983	134	242	38.0	81	26.0	2,773	33.1	929	21.5
1985	160	295	21.9	92	13.2	4,018	44.9	1,246	34.1
1987	175	381	28.9	112	22.2	4,840	20.4	1,423	14.2
1989	186	420	10.4	113	1.0	5,910	22.1	1,590	11.7

Source: 1975-1987: *The Foundation Directory*, Editions 6-12; 1989 data: the Foundation Center database.

* Includes only community foundations with assets of at least $1 million or making grants of $100,000 or more in the year reported. These larger foundations hold 99 percent of assets and award 98 percent of grants of all community foundations.

[1] Constant Dollars based on 1967=$1.00; 1975=$.62; 1977=$.551; 1979=$.46; 1981=$.367; 1983=$.335; 1985=$.310; 1987=$.294; 1989=$.269.

and in part due to the extraordinary success of some foundations in raisings gifts from donors. By rate of growth, assets grew most rapidly between 1981 and 1985. (In the latter year gifts to community foundations jumped by nearly 90 percent.) Assets have continued to show strong growth through 1989, benefitting both from new gifts and from improved stock performance.

TRENDS IN STAFFING

More community foundations are employing paid staff, according to the Foundation Center's 1990 survey, but average staff size is about the same. Out of 186 community foundations surveyed, 161 reported paid staff (87 percent), up from 140 in 1989. Total staff positions reported rose from 769 to 902; the average staff size increased from 5.5 to 5.6.

Foundations' Share of Private Philanthropy

Although the foundation statistics presented in the preceding chapters are impressive, it is important to keep them in perspective. Private foundation giving represents only a small fraction of all private philanthropic contributions, which in turn accounts for a relatively small percentage of the total support for nonprofit organizations.

According to estimates in *Giving USA*, published by the AAFRC Trust for Philanthropy, private philanthropic contributions in 1989 totaled $114.7 billion (Figure 13). The largest portion of these contributions—$96.43 billion or nearly 90 percent—came from individual donors through gifts or bequests. Independent and community foundations accounted for 5.8 percent of this total, and corporations and corporate foundations were responsible for 4.4 percent of total estimated private giving.

Foundation giving as a proportion of total philanthropic giving grew rapidly during the 1960s and peaked at 9 percent in 1970 (Table 47). Restrictive government regulations and inflation during the 1970s, discussed in earlier chapters, caused foundation giving to decline to a low of 5.1 percent in 1979. With the easing of some restrictions in the 1980s, the surge of the stock market, and a strong economy, foundation giving as a share of total giving recovered somewhat, yet at 5.8 percent still falls far short of 1970 levels.

The rise of corporate philanthropy reveals a very different pattern of growth. Between 1970 and 1980, contributions from corporations showed the greatest growth after individual giving. Corporate contributions as a percent of total philanthropic giving peaked at 5.8 percent in 1984, after which it declined to 4.4 percent in 1989.

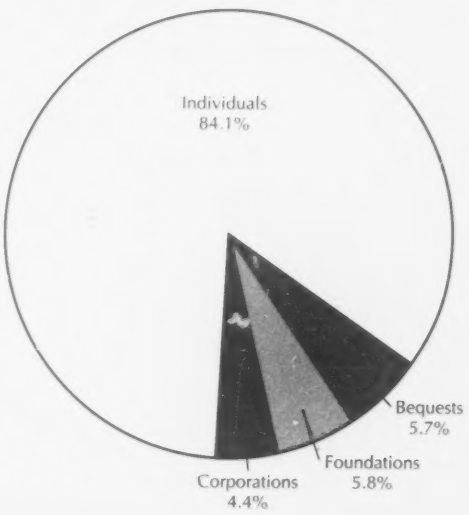
In *Dimensions of the Independent Sector* (Independent Sector, 1989), Virginia Hodgkinson and Murray Weitzman reported that private contributions accounted for only 27 percent of the total support for nonprofit organizations in 1987 (Table 48). While religious organizations and arts and cultural groups are heavily dependent on private contributions for support, receiving, respectively, 79 and 64 percent of their total funding from private gifts, health organizations received a scant 7 percent of their total funding from private donors, and educational institutions and social service agencies received 12 percent and 39 percent, respectively.

The federal budget cutbacks in the 1980s in those sectors in which nonprofit organizations were most active have had a great impact on the funding patterns of many nonprofits, especially those in the human services subsector. In 1977 government provided 54 percent of total annual funds in social and legal services, compared

FIGURE 13. 1989 PRIVATE PHILANTHROPIC GIVING
(Dollars in billions)

Source	Amount	Percent
Individuals	$ 96.43	84.1%
Bequests	6.57	5.7
Independent and Community Foundations	6.70	5.8
Corporations/Corporate Foundations	5.00*	4.4
Total	**$114.70**	**100.0%**

* Of total corporate giving estimated for 1989, nearly $1.4 billion (28%) was paid through corporate foundations.



Source: *Giving USA*. New York: American Association of Fund-Raising Counsel, Inc., 1990. Figures for 1989 were estimated.

TABLE 47. PERCENTAGE OF PRIVATE PHILANTHROPIC GIVING BY SOURCE, 1965–1989 (Dollars in billions)

Year	Total Giving		Independent & Community Fdns.	Corporations	Individuals/ Bequests
	Amount	Percent	Percent	Percent	Percent
1989	$114.70	100.0%	5.8%	4.4%	89.8%
1988	103.87	100.0	5.9	4.6	89.6
1987	95.15	100.0	6.0	4.7	89.3
1986	90.90	100.0	5.9	5.0	89.1
1985	80.07	100.0	6.1	5.6	88.4
1984	70.55	100.0	5.6	5.8	88.6
1983	64.65	100.0	5.6	5.6	88.7
1982	59.80	100.0	5.4	4.8	89.8
1981	55.58	100.0	5.6	4.5	90.0
1980	48.73	100.0	5.7	4.8	89.6
1979	43.36	100.0	5.1	5.3	89.4
1978	38.95	100.0	5.6	5.4	89.0
1977	35.46	100.0	5.6	5.1	89.3
1976	32.01	100.0	5.9	4.7	89.4
1975	28.61	100.0	5.8	4.2	89.9
1974	26.98	100.0	7.8	4.4	88.9
1973	25.71	100.0	7.8	4.7	87.6
1972	24.48	100.0	8.2	4.1	87.8
1971	23.46	100.0	8.3	3.7	87.7
1970	21.02	100.0	9.0	3.8	87.1
1969	20.74	100.0	8.7	4.8	86.5
1968	18.96	100.0	8.4	5.3	86.3
1967	17.04	100.0	8.2	4.7	87.1
1966	15.81	100.0	7.9	5.1	87.0
1965	14.76	100.0	7.4	5.4	87.3

Source: Amercian Association of Fund-Raising Counsel Trust for Philanthropy, *Giving USA*, various editions. Figures are estimated.

with only 41 percent in 1987. In response to these drastic cuts, private contributions as a share of total annual funds for this subsector increased from 32 percent in 1977 to 39 percent in 1987. (For more about foundations' response, see "Trends in Giving, Human Services," in the following chapter.) Revenues from dues, fees, and other charges also increased, from 10 percent to 14 percent. Across the entire independent sector, the share of annual funds represented by dues, fees, and other charges rose from 36 percent in 1977 to 39 percent in 1987, reflecting the search for new forms of income.

Reductions in federal funding have focused increased attention on private philanthropy. Although there is evidence of significant increases in private giving in the 1980s, it is clear that these increases can fill only a small portion of the gap left by federal cutbacks. A recent study by economist Lester Salamon of the impact of the U.S. budget on nonprofit income revealed that between 1982 and 1987, the growth in private giving was enough to offset only about 22 percent of the cumulative reductions in overall federal spending in education, training, employment, and social services; community and regional development; international affairs; income assistance; and health (excluding Medicare and Medicaid).[1]

Although by 1987 the increases in private giving allowed nonprofits to return to the service levels they had provided as of fiscal year 1980, they were unable to expand their activities to meet the increased need. The result for grantseekers was an even more competive fundraising market and a greater need to explore all possible channels of support and revenue.

[1] *Nonprofit Organizations and the FY 1990 Federal Budget*. Lester Salamon and Alan Abramson, 1990, unpublished.

TABLE 48. PERCENTAGE DISTRIBUTION OF ANNUAL SOURCES OF SUPPORT FOR INDEPENDENT SECTOR ORGANIZATIONS, 1987

Source of Funds	All Independent Sector		Religious Organizations	Arts/ Culture	Health Services	Education/ Research	Social Services
	Dollars[1]	Percent					
Government sector	$ 85.4	26.1%	—	12.1%	35.1%	18.3%	41.4%
Private contributions	89.4	27.3	79.7	63.6	6.7	11.9	38.7
Dues, fees, charges	126.4	38.6	8.1	11.1	50.1	55.3	13.7
Endowments	15.7	4.8	2.3	4.0	1.1	5.7	3.1
Other receipts	10.3	3.1	9.9	9.9	7.0	8.8	3.1
Total	**$327.2**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

[1] Dollars in billions.
Source: *Dimensions of the Independent Sector*, Third Edition, pp. 37 (Table 2.1) and 180 (Table 8.2). Virginia Ann Hodgkinson and Murray S. Weitzman. Washington, D.C.: Independent Sector, 1989.

Independent Sector's *Dimensions* reports that fully 47 percent of the support for nonprofit organizations is drawn from earned income, both from dues, fees, and other charges for services and goods (39 percent) and from income earned on endowments (8 percent). This is most true for health services organizations and educational institutions, which respectively derive 58 percent and 70 percent of their support from earned income. Social services and arts organizations derive only 20 percent and 24 percent, respectively, of their total support from earned income.

Finally, government remains a key source of support for many nonprofit organizations, according to the report. Government funding accounted for 26 percent of the total revenue of nonprofits in 1987, with health organizations and social service agencies receiving 35 and 41 percent, respectively, of their total support from government sources.

The following chapter, "Trends in Giving," will examine foundations' response to stepped up demands for contributions in the 1980s.

Trends in Giving: 1989 and the Decade

1989 marked the end of a decade of considerable change in the foundation world. The growth of established and new foundations and the rising stature of corporate philanthropy added tremendous value to the size of grant programs and to the number of grants made. While economic recovery and the soaring stock market favored the growth of foundations, deep federal cutbacks at the start of the 1980s in human service and health programs destabilized nonprofits and created tremendous pressure on private sources of funding.

Stepped up demands on private and community foundations by service agencies short of funding led to some noticeable changes in patterns of grant distribution. But there were other forces at work: urban social problems unforeseen in the 1970s—AIDS, homelessness, and drug abuse, for example—emerged silently at first, only to become raging epidemics later in the decade. National concern over environmental issues, children in poverty, and a failing educational system, and the growth of a global perspective also left their marks on philanthropy.

GROWTH OF GRANTS IN THE 1980s

The Foundation Center first began to record and categorize foundation grants in 1961 and established a computerized grant reporting system in 1972. The system is based primarily on voluntary reporting of grants of $5,000 or more awarded by independent, corporate and community foundations, although supplemental information is taken from public records—IRS Form 990-PF—to ensure that the 100 largest foundations are included in the sample.

In 1979 the *Grants Index* system covered 19,487 grants with a total dollar value of around $1.1 billion. Soon after the Center introduced its "facet" classification system, a multidimensional system employing a fixed vocabulary of four-letter codes that permitted the categorization of each grant within five areas:

- the subject focus,
- the type of organizations receiving the grant,
- the special population groups served (if any),
- the type of support awarded, and
- the scope of the grant activity (domestic, foreign, or international.

By 1988 the Center's grants database had doubled in size to over 43,000 grants totaling $2.87 billion. Due to this growth rate and the limitations of the "facet" system—there were only 39 coded subject areas and patterns of giving in the many important subjects outside of those faceted fields could not be tracked—the Center sought a new classification system that would allow for increased indexing speed and consistency and be comprehensive in scope. An important goal was to provide more reliable statistical data to grantseekers, grantmakers, and others involved in tracking philanthropic activities.

The New Grants Classification System

Starting with the 1989 grant reporting year, the Foundation Center introduced a new grants classification system that has greatly enhanced our capacity to report on trends in giving. Three years in development, this system is linked to the National Taxonomy of Exempt Entities (NTEE), developed by the National Center for Charitable Statistics to classify tax-exempt organizations. In considering a revised system, the Center looked to NTEE because it establishes for the first time a unified national standard for classifying nonprofit activities while permitting the Center to maintain the same multidimensional framework for analyzing grants described above. Additionally, the new taxonomy provides a more concise and consistent hierarchical method to classify and index grants.

SYSTEM EMPLOYS NTEE SUBJECT CODES

The new taxonomy uses two- or three-character alphanumeric codes to track institutional fields and entities, governance or auspices, population groups, geographic focus, and types of support awarded. The universe of institutional fields is organized into 25 "major field" areas (A to Z), following the divisions established by NTEE. The first letter of each code denotes the field, such

as "A" for Arts and "B" for Education. Figure 14 provides a summary of these areas. Within each alpha subject area, numbers 20 to 99 identify services, disciplines, or types of institutions unique to that field, organized in a hierarchical structure. These subcategories constitute a controlled and highly organized vocabulary covering most activities of the entire nonprofit field. They replace the Center's earlier free text, key word, system. Hundreds of specific terms may now be searched with consistent results, and total grant dollars and numbers of grants may be tabulated to determine distribution patterns at the micro level.

OTHER NEW FEATURES

While based on NTEE, the Center's system added an indexing element not part of the original taxonomy: specifically, the ability to track awards to governmental

FIGURE 14. SUMMARY OF THE 25 NATIONAL TAXONOMY OF EXEMPT ENTITIES (NTEE) MAJOR FIELD AREAS

A—Arts, culture, humanities activities
- arts & culture (multipurpose activities)
- media & communications
- visual arts
- museums
- performing arts
- humanities
- historical societies & related historical activities

B—Educational institutions & related activities
- elementary & secondary education (preschool through Grade 12)
- vocational/technical schools
- higher education
- graduate/professional schools
- adult/continuing education
- libraries
- student services & organizations

C—Environmental quality, protection
- pollution abatement & control
- natural resources conservation & protection
- botanic/horticulture activities
- environmental beautification & open spaces
- environmental education & outdoor survival

D—Animal-related activities
- animal protection & welfare
- humane societies
- wildlife preservation & protection
- veterinary services
- zoos & aquariums
- specialty animals & other services

E—Health—general & rehabilitative
- hospitals, nursing homes & primary medical care
- health treatment, primarily outpatient
- reproductive health care
- rehabilitative medical services
- health support services
- emergency medical services
- public health & wellness education
- health care financing/insurance programs

F—Mental health, crisis intervention
- addiction prevention & treatment
- mental health treatment & services
- crisis intervention
- psychiatric/mental health—primary care
- half-way houses (mental health)/transitional care

G—Disease/disorder/medical disciplines (multipurpose)
- birth defects & genetic diseases
- cancer
- diseases of specific organs
- nerve, muscle & bone diseases
- allergy-related diseases
- specific named diseases
- medical disciplines/specialties

H—Medical research
- identical hierarchy to diseases/disorders/medical disciplines in major field "G"
- example: G30 represents American Cancer Society; H30 represents cancer research

I—Public protection: crime/courts/legal services
- police & law enforcement agencies
- correctional facilities & prisoner services
- crime prevention
- rehabilitation of offenders
- administration of justice/courts
- protection against/prevention of neglect, abuse, exploitation
- legal services

J—Employment/jobs
- vocational guidance & training, such as on-the-job programs
- employment procurement assistance
- vocational rehabilitation
- employment assistance for the handicapped
- labor unions/organizations
- labor-management relations

K—Food, nutrition, agriculture
- agricultural services aimed at food procurement
- food service/free food distribution
- nutrition promotion
- farmland preservation

L—Housing/shelter
- housing development/construction
- housing search assistance
- low-cost temporary shelters such as youth hostels
- homeless, temporary shelter for
- housing owners/renters organizations
- housing support services

M—Public safety/disaster preparedness & relief
- disaster prevention, such as flood control
- disaster relief (U.S. domestic)
- safety education
- civil defense & preparedness programs

N—Recreation, leisure, sports, athletics
- camps
- physical fitness & community recreation
- sports training
- recreation/pleasure or social clubs
- amateur sports
- Olympics & Special Olympics

O—Youth Development
- youth centers, such as boys clubs
- scouting
- big brothers/sisters
- agricultural development, such as 4-H
- business development, Junior Achievement
- citizenship programs
- religious leadership development

P—Human service—other/multipurpose
- multipurpose service organizations
- children & youth services
- family services
- personal social services
- emergency assistance (food, clothing)
- residential/custodial care
- centers promoting independence of specific groups, such as senior or women's centers

Q—International
- exchange programs
- international development
- international relief services (foreign disaster relief)
- peace & security
- foreign policy research & analyses (domestic U.S.)
- international human rights

R—Civil rights/civil liberties
- equal opportunity & access
- voter education/registration
- civil liberties

S—Community improvement/development
- community/neighborhood development
- community coalitions
- economic development, both urban and rural
- business services
- community funds and federated giving
- community service clubs such as Junior League

T—Philanthropy & voluntarism
- philanthropy associations/societies
- private foundations (e.g. Women's Funds) and community foundations
- voluntarism promotion

U—Science
- scientific research & promotion
- physical/earth sciences
- engineering/technology
- biological sciences

V—Social sciences
- social science research/studies
- interdisciplinary studies, such as black studies, women's studies, urban studies, etc.

W—Public affairs/society benefit
- public policy research, general
- government & public administration
- transportation systems
- public utilities
- consumer rights/education

X—Religion/spiritual development
- Christian churches, missionary societies and related religious bodies
- Jewish synagogues
- other specific religions

Y—Mutual membership benefit organizations
- insurance providers & services (other than health)
- pension/retirement funds
- fraternal beneficiary funds
- cemeteries & burial services

Z99—unknown, unclassifiable

agencies such as public schools, state universities, and municipal or federal agencies.

The Center also augmented the NTEE taxonomy by adding a secondary set of codes to classify 34 specific types of grant support, up from eight types in the former "facet" system. Additionally, the Center now tracks 40 different population groups served. For purposes of analysis, these 40 are collapsed into the seventeen population groups discussed later in this introduction.

More evolutionary than revolutionary, the new system does introduce two new database fields: Auspices (NTEE's governance codes are used) and Country of Activity (not part of NTEE). This last field is used to track the foreign locations of grant activities, for example, an award to the New York office of UNESCO for relief services in Ethiopia.

SAMPLING BASE

The sampling base for the 1989 analysis includes 46,431 grants of $5,000 or more awarded by 472 foundations that were reported to the Center in 1989. These grants have a total value of $3.25 billion, or 44 percent of the total grant dollars awarded by private and community foundations during the reporting period. Most of the grants were awarded in late 1988 or in 1989.

The sample covers less than 1.5 percent of the total number of private and community grantmaking foundations in the U.S. and is heavily weighted towards large foundations. It includes the 100 largest foundations, whose grants account for 76 percent of the grant dollars in the sample. These statistics, therefore, do not provide a complete picture of all private and community foundations, but they do offer a general overview of the grantmaking patterns of the nation's largest foundations.

Domestic vs. Foreign Giving in the 1980s

In 1989 most foundation grants dollars (89 percent) were awarded to organizations located in the United States and its territories for projects with a domestic focus (Figure 15), yet the focus of grantmaking has enlarged over the decade. Grants to U.S. organizations to conduct international activities or to sponsor programs in foreign countries rose from only 2.2 percent of allocations in 1980 to 6.7 percent in 1989 (Table 49).

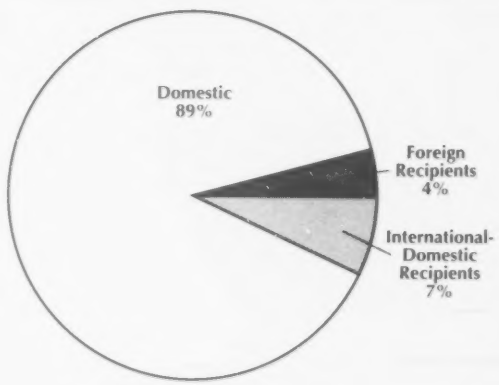
Although spending for international purposes increased substantially, direct support of foreign recipients did not. Their share of grant dollars between 1980 and 1989 was unchanged at 4.4 percent. In 1989 nearly $143 million was awarded to foreign recipients with a concentration of dollars in Southern Africa, Canada, Mexico, Brazil, China, Israel, and England.

Subject Focus

The Foundation Center reports general foundation giving trends within ten broad categories and 49 subcategories. Breakdowns closely follow the NTEE's basic alphabetical major field divisions outlined in Figure 14. Figure 16 and Table 50 show general funding trends in 1989; Table 51 presents the full breakdown by subcategories.

Adoption of NTEE subject guidelines for 1989 has changed the definition of several major fields of activity traditionally reported on by the Center and introduced

FIGURE 15. DOMESTIC AND FOREIGN GRANT DOLLARS, 1989



Percent of Grant Dollars

TABLE 49. DOMESTIC AND FOREIGN GIVING, 1980 AND 1989*

Type of Recipient	1980				1989			
	No. of Grants	%	Dollar Value	%	No. of Grants	%	Dollar Value	%
Domestic	20,449	94.7	$1,111,681	93.3	42,877	92.3	$2,892,390	88.9
Foreign	666	3.1	52,745	4.4	1,377	3.0	142,882	4.4
International-Domestic Recipient	475	2.2	26,374	2.2	2,177	4.7	218,975	6.7
Total	**21,590**	**100.0%**	**$1,190,800**	**100.0%**	**46,431**	**100.0%**	**$3,254,247**	**100.0%**

Source: *The Foundation Grants Index*, 1982 and 1990.
* Dollar figures in thousands; due to rounding, figures may not add up.

new fields. As a result, it is often difficult and misleading to draw direct comparisons with funding patterns reported through 1988 and illustrated in Figure 17. Whenever possible, valid comparisons with earlier giving trends will be noted as will the impact of changes in definitions of fields on the current distribution of grant dollars.

Classifying and reporting on grants under a vastly changed indexing system inevitably raises questions of consistency. We recognize these difficulties and expect to adjust and refine our grants classification system over the next few years.

TABLE 50. GENERAL FOUNDATION FUNDING TRENDS, 1989*

Category	Dollar Value of Grants 1989 Amount	%	Number of Grants 1989 No.	%
Arts & Culture	$455,744	14.0	7,860	16.9
Education	722,625	22.2	9,995	21.5
Environment & Animals	159,800	4.9	2,058	4.4
Health	563,353	17.3	5,613	12.1
Human Services	493,193	15.2	10,462	22.5
International Affairs, Development, & Peace	126,743	3.9	1,360	2.9
Public/Society Benefit	326,560	10.0	5,243	11.3
Science & Social Science	357,168	11.0	2,826	6.1
Religion	44,710	1.4	854	1.8
Other	4,352	0.1	157	0.3
Total	**$3,254,247**	**100.0**	**46,431**	**100.0**

Source: *Foundation Grants Index*, 1990.
* Dollar figures expressed in thousands; due to rounding, figures may not add up.

Human Services

In response to draconian cuts in human service funding ordered by the Reagan Administration, foundations on the whole gave higher priority to social welfare programs in the 1980s (Figure 17). From 1981 through 1988, social welfare received the largest share of foundation dollars, ranging from 26 percent to 29 percent, up from 23 percent in 1979. In 1989 the national taxonomy replaced the very broad social welfare category with three distinct major categories: human services, public/society benefit, and the environment. When total dollars are combined, these three categories still constituted around 30 percent of giving in 1989.

Human services accounted for 15.2 percent of the total dollar value and 22.5 percent of the total number of grants reported in 1989. This category includes nine subdivisions: consumer protection and legal aid; crime, justice, and public protection; employment; food, nutrition, and agriculture; housing and shelter; safety and disaster relief; recreation and sports; youth development; and human services—multipurpose.

Of these, as shown in Table 51 and Figure 18, the human services—multipurpose subcategory, which includes a broad range of services to individuals, families, and special populations, such as children and the elderly, claimed nearly one-half of both grant dollars and the total number of grants awarded in the category. Programs to alleviate poverty and to prevent the many social ills cause by family dislocation fell under this subcategory.

FIGURE 16. GRANTS BY MAJOR SUBJECT CATEGORIES, 1989

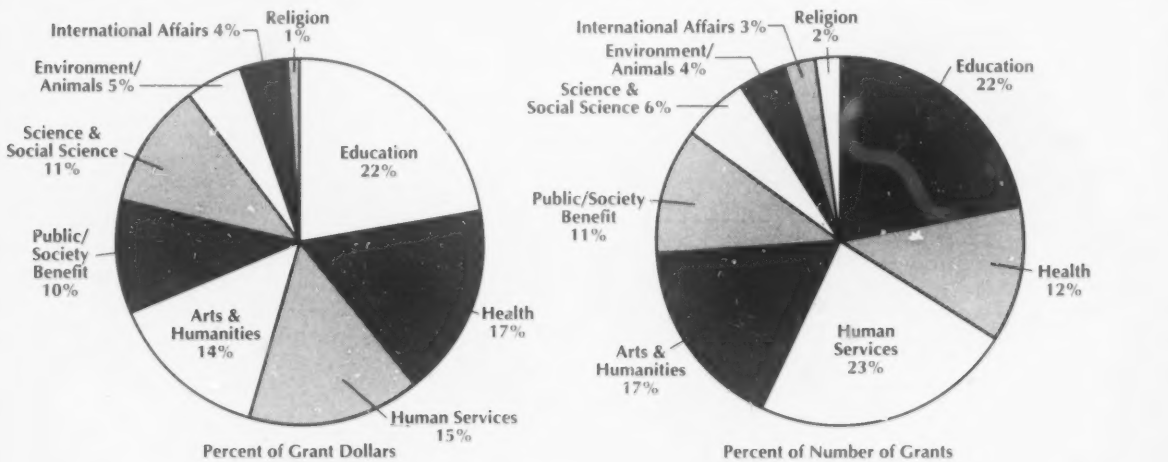
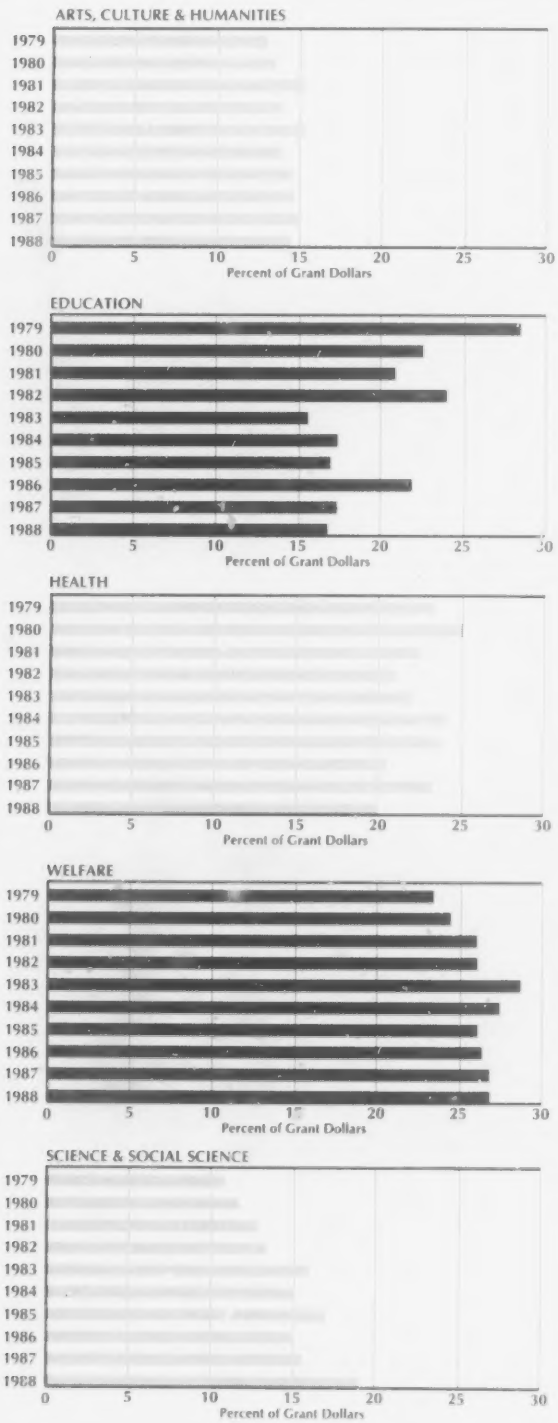


FIGURE 17. MAJOR FUNDING TRENDS, 1979–1988*



Source: *Foundation Grants Index*, 1980–1989.

* Note: New classification scheme based on National Taxonomy of Exempt Entities was adopted in 1989. See 1989 funding tables for revised subject categories.

LARGEST GRANTS IN HUMAN SERVICE PROGRAMS

- The W. K. Kellogg Foundation's $10 million program to "improve the well-being of children and youth in selected communities through collaborative efforts with state and community agencies." Grants were made to three universities.
- $7.9 million from the Orville D. & Ruth A. Merillat Foundation to the Christian Family Foundation for general and building support.
- The Ford Foundation's $3 million grant to the National Resource Center for Children in Poverty for initiatives in maternal and child health, family support, and early childhood education.

Public/Society Benefit

Foundations distributed 10 percent of grant dollars and 11.3 percent of the total number of grants in 1989 for public/society benefit programs, including civil rights and social action, community improvement and development, philanthropy and voluntarism, and public affairs or public administration. Table 51 and Figure 19 illustrate that 59 percent of grant dollars in this category supported community improvement and development, which includes federated giving programs and both urban and rural development. During the 1980s, economic development and neighborhood revitalization, especially in decaying cities, assumed increasing importance to both national and local funders and the dollar value of grants jumped.

Several grants of $5 million or over were awarded for

FIGURE 18. HUMAN SERVICES, GIVING TO SUBCATEGORIES, 1989

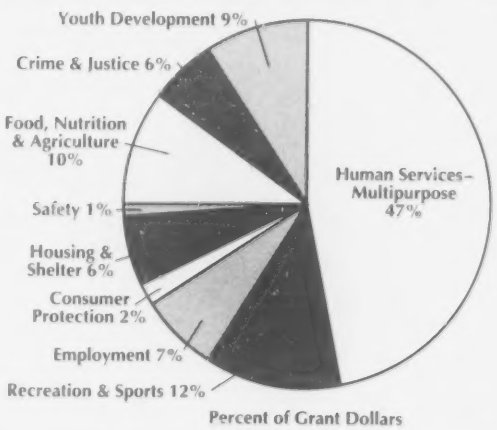
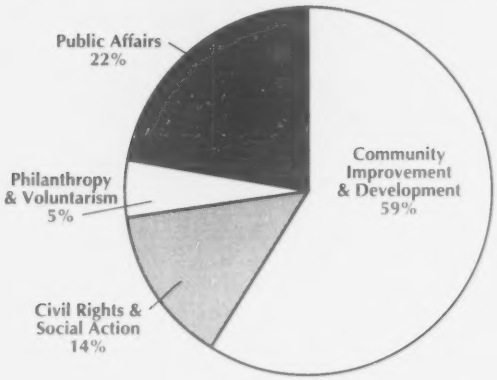


FIGURE 19. PUBLIC/SOCIETY BENEFIT, GIVING TO SUBCATEGORIES, 1989



community improvement in the 1989 reporting year, among them:

- A $14 million grant by the W.K. Kellogg Foundation to the Industrial Technology Institute to improve Michigan's economy by promoting high technology development.
- A $9.3 million capital grant by the Charles Stewart Mott Foundation to reduce the debt of the Flint Downtown Development Authority.

The public affairs subcategory claimed the second largest share of public/society benefit funding (Figure 19). Public policy research centers and media programs addressing public policy issues received substantial support, including a $6 million grant from the John D. and Catherine T. MacArthur Foundation to the Educational Broadcasting Corporation for a public affairs program.

Environment/Animals and Wildlife

Foundation support for the protection of the environment, animal welfare, and for wildlife preservation showed strong gains in 1989. Funding totaled nearly 5 percent of grant dollars, up from roughly 3.0 to 3.9 percent over the previous five years (Table 51). Part of this gain must be attributed to NTEE guidelines since animal welfare, zoos, and aquariums are now included in this category. Of the $160 million appropriated in 1989, the bulk of grant dollars supported environmental programs; much less was allocated for animals and wildlife.

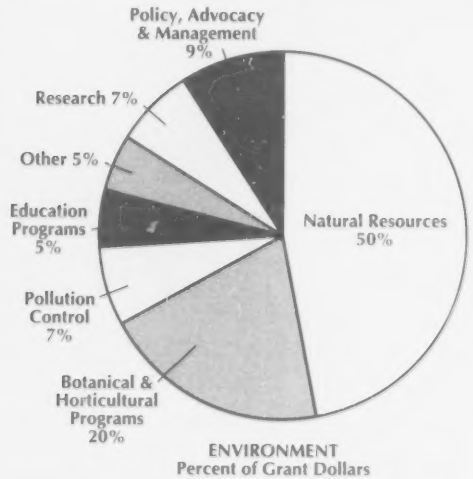
Within the environment subcategory, about half of funding supports natural resource conservation and another one-fifth goes to botanical and horticultural programs (Figure 20). In the animals and wildlife subcategory, nearly two-thirds of grant dollars support zoological programs; far less goes to wildlife preservation.

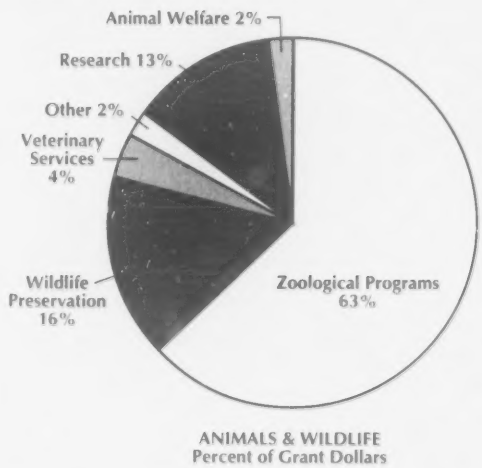
LARGEST GRANTS IN ENVIRONMENT

Six grants of $2.5 million or over contributed to the jump in environmental funding. Two of the largest were:

- The Mary Flagler Cary Charitable Trust's award

FIGURE 20. ENVIRONMENT, ANIMALS & WILDLIFE, GIVING TO SUBCATEGORIES, 1989





of $11.9 million to the New York Botanical Garden for operation of the Cary Arboretum and the Institute of Ecosystem Studies.

- The Sid W. Richardson Foundation's $5 million grant to the Fort Worth Zoological Association to construct a new complex.

TABLE 51. DISTRIBUTION OF GRANTS BY SUBJECT CATEGORIES*

Subject	Dollar Value of Grants 1989 Amount	%	Number of Grants 1989 No.	%
Arts & Culture				
‡Policy, Management, and Information	$ 7,193	0.2	175	0.4
Museums & Multipurpose Programs	166,717	5.1	2,142	4.6
Media & Communications	76,175	2.3	865	1.9
Architecture & Visual Arts	15,745	0.5	266	0.6
Theater & Dance	69,778	2.1	1,907	4.1
Music	62,046	1.9	1,466	3.2
Humanities	35,180	1.1	436	0.9
Historic Preservation	17,585	0.5	452	1.0
Other	5,325	0.2	151	0.3
Total Arts and Culture	455,744	14.0	7,860	16.9
Education				
‡Policy, Management, and Information	15,185	0.4	257	0.6
Elementary & Secondary	113,736	3.5	1,705	3.7
Vocational & Technical	5,315	0.2	87	0.2
Higher Education	262,037	8.1	3,883	8.4
Graduate & Professional	176,689	5.4	2,151	4.6
Adult & Continuing	7,514	0.2	240	0.5
Library Science/ Libraries	71,757	2.2	495	1.1
Student Services	23,663	0.7	260	0.6
Educational Services	46,729	1.4	917	2.0
Total Education	722,625	22.2	9,995	21.5
Environment & Animals				
Environment	128,706	4.0	1,737	3.7
Animals & Wildlife	31,094	1.0	321	0.7
Total Environment & Animals	159,800	4.9	2,058	4.4
Health				
General and Rehabilitative	409,874	12.6	3,821	8.2
‡Policy, Management, and Information	11,447	0.4	173	0.4
Medical Research	114,432	3.5	691	1.5
Hospitals and Medical Care	153,261	4.7	1,692	3.6
Reproductive Health Care	46,119	1.4	489	1.1
Public Health	47,380	1.5	353	0.8
Other	37,235	1.1	423	0.9
Mental Health	78,222	2.4	901	1.9
Specific Diseases	75,257	2.3	894	1.9
Total Health	563,353	17.3	5,616	12.1
Human Services				
Consumer Protection & Legal Aid	9,086	0.3	274	0.6
Crime, Justice, & Public Protection	31,019	1.0	681	1.5
Employment	32,184	1.0	880	1.9
Food, Nutrition, & Agriculture	49,048	1.5	698	1.5
Housing & Shelter	30,363	0.9	846	1.8
Safety & Disaster Relief	5,689	0.2	140	0.3
Recreation & Sports	60,904	1.9	678	1.5
Youth Development	44,746	1.4	996	2.1
Human Services—Multipurpose	230,154	7.1	5,269	11.3
Total Human Services	493,193	15.2	10,462	22.5
International Affairs, Development, and Peace	126,743	3.9	1,360	2.9
Public/Society Benefit				
Civil Rights & Social Action	46,801	1.4	873	1.9
Community Improvement & Development	192,811	5.9	2,935	6.3
Philanthropy & Voluntarism	16,753	0.5	450	1.0
Public Affairs	70,195	2.2	985	2.1
Total Public/ Society Benefit	326,560	10.0	5,243	11.3
Science & Social Science				
‡Policy, Management, and Information	4,511	0.1	75	0.2
General Science	99,714	3.1	378	0.8
Physical Science	48,189	1.5	604	1.3
Technology	23,954	0.7	400	0.9
Life Science	69,412	2.1	314	0.7
Social Science and Economics	69,642	2.1	716	1.5
Interdisciplinary	41,746	1.3	339	0.7
Total Science & Social Science	357,168	11.0	2,826	6.1
Religion	44,710	1.4	854	1.8
Other	4,352	0.1	157	0.3
Total grants	**$3,254,247**	**100.0**	**46,431**	**100.0**

Source: *Foundation Grants Index*, 1990.

* All dollar figures expressed in thousands; due to rounding, figures may not add up.

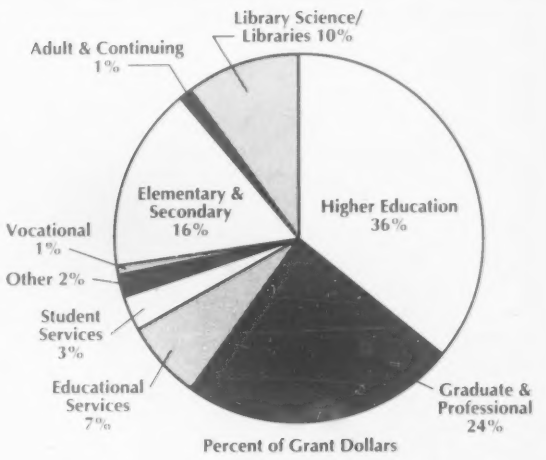
‡Includes broad range of supporting activities in organizations identified by 16 "common codes" in the National Taxonomy of Exempt Entities.

Education

Foundation support for education, and especially higher education, declined in the early 1980s, as foundations shifted priorities to respond to increased needs in the human service sector. Overall, education funding dropped from 28 percent in 1979 to a low of 16 percent in 1983 and, with the exception of 1986, when a single $100 million grant from the Danforth Foundation to Washington University caused the level of funding to jump, it remained around the 17 percent mark through 1988 (Figure 17).

In 1989, as shown in Figure 16 and Table 51, education received 22.2 percent of grant dollars and 21.5 percent of the total number of grants awarded, far higher than the prior year's levels. This is because the field of education, as defined by the national taxonomy, includes several programs or disciplines formerly classified elsewhere. Examples include library science and libraries, previously classified under arts and culture; medical education, under health; engineering institutes, under technology; theological education, under religion; and legal education, under social sciences.

FIGURE 21. EDUCATION, GIVING TO SUBCATEGORIES, 1989



HIGHER EDUCATION/GRADUATE EDUCATION FAVORED

General higher education and professional graduate education, including medical education, added up to 13.5 percent of grant dollars reported in 1989 (Table 51), a sharp drop from the approximately 22 percent share these combined fields claimed in 1980. (Medical education, it should be pointed out, was reported under the health category in 1980). Within the education field, higher education and graduate education combined claimed 60 percent of education dollars (Figure 21).

Foundation involvement in elementary and secondary education, by comparison, grew steadily throughout the 1980s, shifting from support of private schools to funding of initiatives for public school reform and restructuring. In 1989 combined support for precollegiate education and for educational services, such as dropout prevention and parent teacher programs, represented nearly 5 percent of grant dollars, up from 3 percent in 1980. About one-fourth of total education dollars were devoted to elementary and secondary education and educational services (Figure 21).

LARGEST EDUCATION GRANTS

In all, eighteen grants of $2.5 million or more were awarded in education in 1989, including several grants for university libraries and library systems. Higher education continued to dominate large gifts, yet the largest grant in education in 1989 supported elementary and secondary education. Some of the major education grants were:

- An $8.3 million grant to Public/Private Ventures by the Pew Charitable Trusts to assist the Philadelphia school district in its restructuring plan.
- A $6 million grant from the Marin Community Foundation to Marin Educational Foundation for financial assistance to low- and moderate-income residents.
- A $5.5 million grant to University City Science Center from Pew Charitable Trusts for a health sciences library consortium.
- A $5 million grant to Indiana University Foundation from Lilly Endowment for library acquisitions.
- A $4 million matching endowment grant to the College Bound Foundation from the Abell Foundation to increase opportunities for post-secondary education to all Baltimore students by providing financial assistance and counseling.

Health

Foundations devoted fully 25 percent of total grant appropriations to health in 1980 (Figure 17). While funding was relatively strong throughout the decade, usually above 22 percent, it had declined to 20 percent by 1988 (the last year for which comparable data is available), signalling some reallocation of funds to other fields.

The Center's new classification system divides the

broad area of health into four categories: general and rehabilitative, mental health, specific diseases or disorders, and medical research. In 1989 support for health represented 17.3 percent of total grant dollars and 12.1 percent of grants (Figure 16 and Table 51). Changes in subject classifications, rather than a shift in programs, account almost entirely for these lower percentages. As noted earlier, health funding no longer includes grants for medical, dental and nursing education nor does it include medical libraries. In 1989 foundations awarded over $70.5 million for medical and health education and an additional $6.7 million for medical libraries.

Figure 22 illustrates distribution patterns among the subcategories of health. Nearly half of all funding supports either hospitals and medical care facilities or medical research; mental health and specific diseases form a second tier; and public health and reproductive health care form a third tier. Under NTEE guidelines public health is more narrowly defined; as a result its share of grant dollars has dropped. Programs such as substance abuse, family planning, nutrition, and treatment of specific diseases, such as AIDS, are classified in more specific subcategories, allowing us to track these dollars more accurately. In 1989, for example, foundations spent about $42 million for AIDS prevention and treatment.

LARGEST GRANTS IN HEALTH

The average dollar size of health grants (excluding medical education) has increased, offsetting what appears to be a drop in the number of grants. Of the 30 grants of $5 million or over reported to the Foundation Center in 1989, six supported the health and mental health fields. Overall, eighteen grants of $2.5 million or over were awarded in health, including several for medical research. Among the largest grants were:

- $12.8 million to the New England Medical Center from the Henry J. Kaiser Foundation for a Functional Outcomes Program.
- $8 million from the Richard King Mellon Foundation to the University of Pittsburgh to establish Pittsburgh Cancer Institute.
- A $4 million grant by the Robert Wood Johnson Foundation to fund an AIDS public education program and a $3 million award by the Aaron Diamond Foundation to create a new AIDS research facility.
- $3.2 million from the MacArthur Foundation to the University of Colorado to establish a mental health research network on early childhood transitions.

Arts, Culture, and Humanities

Among major grant programs funded by foundations, the arts have held the most constant share of support in the 1980s—neither greatly expanding nor contracting, but remaining within the range of 13 to 15 percent of grant dollars (Figure 17). That was true in 1989 when foundations allocated about 14 percent of grant dollars to the arts and humanities. Yet within this broad subject area, priorities have shifted; growth has occurred in new areas, especially media and communications.

In 1989, as revealed in Table 51 and in Figure 23, within the arts field, multipurpose arts and cultural programs,

FIGURE 22. HEALTH, GIVING TO SUBCATEGORIES, 1989

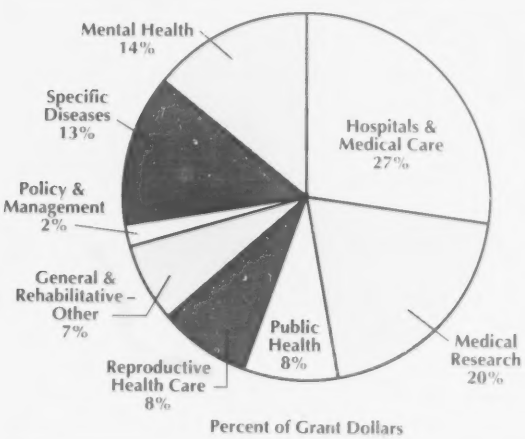
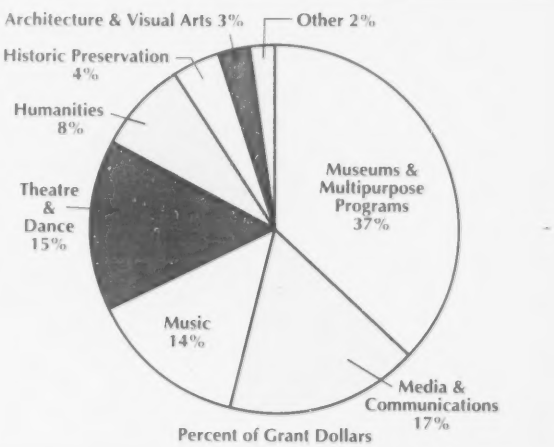


FIGURE 23. ARTS, CULTURE & HUMANITIES, GIVING TO SUBCATEGORIES, 1989



including museums and performing arts centers, received more than one-third of total grant dollars. Several of the largest cultural grants, however, supported media and communications, resulting in an increase in the percentage of arts grants dollars claimed by that subcategory; in 1989 it was 17 percent. The percentage of funding for theatre and dance reached its highest level of the decade; the number of grants reported in this category jumped by nearly one-third between 1988 and 1989. Theatre and dance, and music, claimed nearly equal shares of arts support in 1989—15 percent and 14 percent, respectively (Figure 23). With grants to art museums now reported under the museums subcategory, the architecture and visual arts subcategory received a smaller share of funding. In fact, foundations contributed over $43 million and 468 grants to art museums and museum programs.

LARGEST GRANTS IN THE ARTS AND HUMANITIES

Some of the largest grants reported in 1989 included:

- $5.3 million to Community Television of Southern California from the W. M. Keck Foundation for program support.
- $5 million to Duke University from the Lyndhurst Foundation to endow a Center for Documentary Studies.
- $5 million from the Andrew W. Mellon Foundation to the Woodrow Wilson National Fellowship Foundation for a humanities fellowship program.
- $3.9 million from the David and Lucile Packard Foundation to restore the Stanford Theatre in Palo Alto and to purchase a silent film collection.

Science and Social Science

The 1980s proved to be years of tremendous gains in funding for the sciences, climbing from 11 percent of funding in 1979 to over 18 percent in 1988 (Figure 17). Much of the leap, however, was concentrated in exceptionally large grants contributed by a handful of independent foundations, such as the William M. Keck Foundation and the Arnold and Mabel Beckman Foundation, both in California, and the W. K. Kellogg Foundation. The jump in 1988, for example, was attributable to just three large grants from these funders with a combined value of over $74 million.

In 1989 support for the science and social science category came to about 11.4 percent of grant dollars (Table 51), far less than in 1988, in part because of changes brought about by the new classification system and in part due to fewer science grants of $10 million or more. Figure 24 shows the breakdown of funding in science and social science. Nearly 70 percent of funding in this field goes to science and technology, which includes science education programs; 19 percent to the social sciences; and 12 percent to interdisciplinary studies. Support for engineering education, previously reported under technology, is now included in graduate education. This accounts for a lower percentage share of funding for the technology subcategory and adds to the seeming drop in the share of science funding.

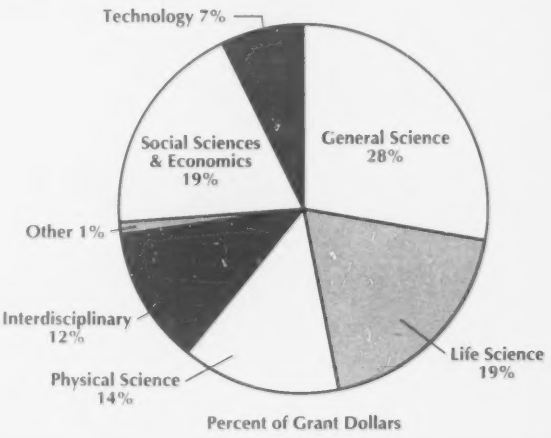
Social sciences include economics, sociology, behavioral science, political science, law, and interdisciplinary research. Law schools and business education, previously coded under social science, are now reported under graduate education; public policy and government, under public affairs; and peace and security, under international affairs. As a result, the total share of dollars and number of grants reported in this category are less, although actual trends in giving have not changed.

LARGEST GRANTS IN SCIENCE

Some of the largest grants awarded to science institutions or for science education included:

- $30 million awarded to the California Institute of Technology by the Arnold and Mabel Beckman Foundation for a new center on interdisciplinary research in biology and chemistry. (This was also the largest grant reported in all fields in 1989.)
- $8.1 million awarded to the National Academy of Sciences by the Arnold and Mabel Beckman

FIGURE 24. SCIENCE & SOCIAL SCIENCE, GIVING TO SUBCATEGORIES, 1989



Foundation to establish the Beckman Center.

- $5 million awarded to Scripps College by the Keck Foundation for building construction for an intercollegiate science program.

International Affairs, Development, and Peace and Security

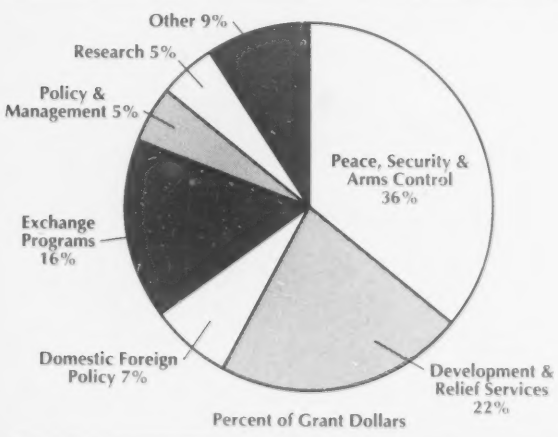
As the decade closed, using the new classification system, the Center was able to report on an increasingly visible field of nonprofit activity: international affairs, international development, and peace and security. Grants data showed that in 1988-1989 nearly 4 percent of grant dollars and nearly 3 percent of the number of grants awarded supported these specific international activities (Figure 17 and Table 51). An analysis of the subcategories of the field (Figure 25) reveals that more than one-third of total dollars was allocated for peace, security and arms control, 22 percent for development and relief services, and 16 percent for exchange programs.

World events in late 1989 dramatically altered the future of East/West relations and opened up new opportunities for private philanthropy in Eastern Europe. The Foundation Center will monitor international grantmaking in future years to determine shifts in patterns of giving brought about by a post-cold-war environment.

LARGEST GRANTS IN INTERNATIONAL AFFAIRS

Some of the largest grants awarded for international activities included:

FIGURE 25. INTERNATIONAL AFFAIRS, DEVELOPMENT AND PEACE, GIVING TO SUBCATEGORIES, 1989

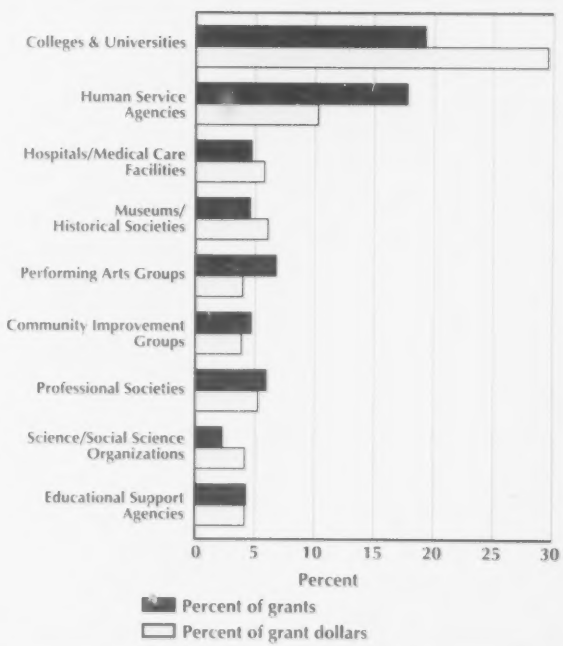


- $6 million awarded to the University of Notre Dame from the Joan B. Kroc Foundation to establish a Peace Institute.
- $5.4 million awarded to Winrock International Institute for Agricultural Development by the Winthrop Rockefeller Trust.
- $3.7 million awarded to the National Association of the Partners of the Americas by the Kellogg Foundation to develop effective citizen leaders for grassroots development work.

Types of Recipient Organizations

The new classification system tracks 34 types of organizations receiving grants, including both field-specific organizations and non-field-specific types, e.g, professional societies and associations. Table 52 provides complete 1989 data on all 34 organization types; Figure 26 ranks only the largest recipients. Grant dollars to some organizations are double counted, once in field-specific organization totals and once in non-field-specific organization totals. Because some grants fall into more than one category, each category is analyzed as a percentage of the total grant dollars and number of grants reported in summary tables, such as Table 51.

FIGURE 26. MAJOR RECIPIENT ORGANIZATION TYPES, 1989*



* Includes types of organizations receiving at least 4 percent of total grant dollars.

EDUCATIONAL INSTITUTIONS DOMINATE FUNDING

Educational institutions and educational support agencies continue to be the primary recipients of foundation dollars, receiving nearly 40 percent of dollars reported in 1989 and 30 percent of the number of grants. This contrasts with the preceding subject analysis, which showed that education received only 22 percent of grant dollars and 21 percent of the number of grants. Educational institutions are, in fact, vehicles of funding for research and program development supporting a wide range of disciplines, such as the humanities, the environment, science and social science, human rights, and peace and security.

Colleges and universities alone received nearly $1 billion, or 30 percent of grant dollars in 1989. Throughout the 1980s, as shown in Figure 27, higher education institutions claimed between 24 percent and 32 percent of grant dollars. The consistency of measuring trends in giving to colleges and universities is complicated by exceptionally large grants awarded in individual years, such as the Danforth Foundation's grants of $100 million and $55 million to Washington University in 1986.

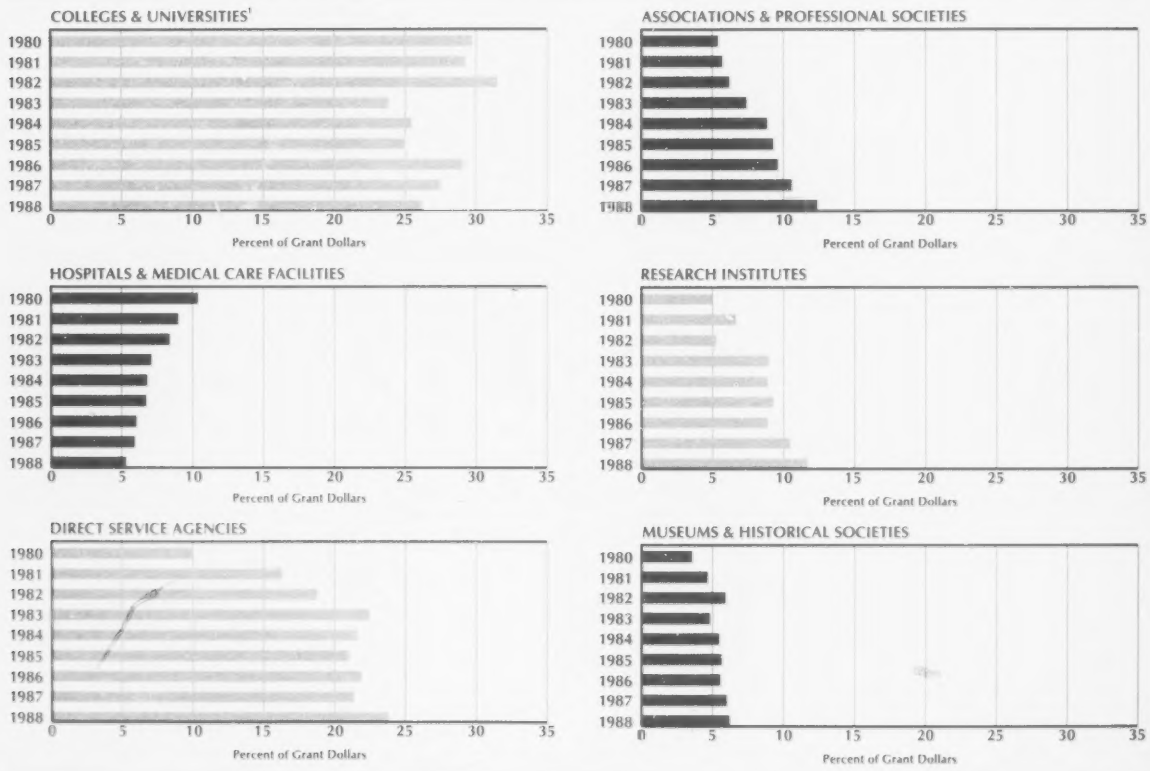
FUNDING OF PUBLIC INSTITUTIONS GAINS IN 1980s

Grant dollars awarded to higher education, including graduate schools, can be further broken down according to public or private auspices. In 1989 private colleges and universities received $674.6 million, or 64 percent of all grant dollars to higher education. Support for public universities and colleges amounted to $372.7 million, or 36 percent of grant dollars. Although levels of support for private institutions fluctuated in the 1980s, due to the impact of very large awards, the share of support for public institutions over the past five years has steadily advanced. In 1981, public institutions represented only 24 percent of dollars allocated to higher education institutions.

HUMAN SERVICE AGENCIES GAIN SUPPORT/ HOSPITAL FUNDING DECLINES

Human service agencies constitute the second largest group of recipients (Table 52 and Figure 26). These agencies received just 10 percent of total grant dollars in 1989, but they received fully 18 percent of the number of

FIGURE 27. MAJOR RECIPIENT TYPES, 1980–1988*



Source: *Foundation Grants Index*, 1981-1989

* Note: New classification scheme based on National Taxonomy of Exempt Entities was adopted in 1989. See 1989 funding tables for revised recipient organization categories.

[1] Includes four-year public and private institutions

grants. Other major field-specific grant recipients included museums and historical societies, hospitals and medical care facilties, science and social science organizations, and performing arts groups. Among non-field-specific organization types analyzed, professional societies and associations and research institutes received the largest share of grant support.

A review of funding trends for major recipient types tracked from 1980 to 1988 (Figure 27) shows that direct support for hospitals and medical care facilities dropped in half—from over 10 percent to just over 5 percent—while funding for service agencies, associations and professional societies, and research institutes all gained sharply. Museums and historical societies held a fairly consistent share of funding all through the 1980s.

TABLE 52. DISTRIBUTION OF GRANTS BY RECIPIENT ORGANIZATION TYPE*

	Dollar Value of Grants		Number of Grants	
	1989		1989	
Recipient Type	Amount	%	No.	%
Animal-specific Agencies	$ 28,896	0.9	308	0.7
Arts/Humanities Organizations	64,024	2.0	1,499	3.2
Churches/Temples	53,170	1.6	1,159	2.5
Civil Rights Groups	47,707	1.5	872	1.9
Community Improvement Organizations	128,169	3.9	2,193	4.7
Disease-specific Health Associations	26,411	0.8	603	1.3
Educational Institutions	1,288,005	39.6	14,022	30.2
Colleges & Universities	963,351	29.6	8,957	19.3
Educational Support Agencies	135,087	4.2	1,986	4.3
Graduate Schools	72,060	2.2	731	1.6
Junior/Community Colleges	10,128	0.3	227	0.5
Libraries	16,283	0.5	274	0.6
Schools	91,096	2.8	1,847	4.0
Environmental Agencies	79,977	2.5	1,476	3.2
Federated Funds	75,025	2.3	1,082	2.3
Government Agencies	81,179	2.5	794	1.7
Hospitals/Medical Care Facilities	187,237	5.8	2,182	4.7
Human Service Agencies	336,431	10.3	8,242	17.8
Information/Public Education Centers	12,353	0.4	260	0.6
International Organizations	88,657	2.7	1,199	2.6
Media Organizations	70,646	2.2	748	1.6
Mental Health Agencies	45,653	1.4	665	1.4
Museums/Historical Societies	197,681	6.1	2,148	4.6
Performing Arts Groups	128,802	4.0	3,166	6.8
Philanthropy Organizations	13,534	0.4	450	1.0
Professional Societies & Associations	172,407	5.3	2,780	6.0
Public Administration Agencies	72,705	2.2	891	1.9
Public/General Health Organizations	90,917	2.8	922	2.0
Public Policy Institutes	55,972	1.7	741	1.6
Recreation Organizations	45,156	1.4	382	0.8
Research Institutes	117,620	3.6	1,033	2.2
Science/Social Science Organizations	136,222	4.2	1,056	2.3
Technical Assistance Centers	60,494	1.9	935	2.0
Volunteer Bureaus	2,712	0.1	129	0.3
Youth Development Organizations	40,225	1.2	976	2.1

Source: *Foundation Grants Index*, 1990.

* Dollar figures expressed in thousands; grants may support multiple recipient types, i.e., an environmental research institute or an arts information center, and would thereby be counted twice.

Types of Support Awarded

The new grants classification system tracks foundation giving in seven major type-of-support categories:

- General support,
- Capital support,
- Program support,
- Student aid funds (excluding grants paid directly to individuals),
- Research,
- Emergency funds, and
- Technical assistance.

Of these, four large categories—general support, capital support, program support, and student aid funds—are broken down into 21 subcategories presented in Table 53. Two qualifying types of support—continuing support and matching or challenge grants—are also tracked. In most cases, grants assigned a qualifying type of support are double coded, e.g., a grant for a capital campaign that is awarded on a challenge basis.

Table 53 shows the total number and dollar value of grants awarded for each type of support category and the average size of the grants in each category. Figure 28 compares only major types of support. Because some grants fall under more than one category (e.g., a grant to support renovation and capital equipment), each category is analyzed as a percentage of the total grant dollars and of the total number of grants represented in the sample.

PROGRAM SUPPORT CLIMBS SHARPLY IN 1980s; GENERAL SUPPORT DROPS TO 1982 LEVELS

Nearly 47 percent of grant dollars and nearly 43 percent of the number of grants reported in 1989 supported program activities, adding to a fairly consistent upward trend since 1982 (Figure 29 and Figure 30). In that year only 28 percent of grant dollars were awarded for pro-

gram support. Under program support, our expanded indexing system includes codes for program development, the most favored type of support, conferences and seminars, faculty and staff development, professorships, film, video or radio productions, publications, seed money, and the cost of performances or productions.

By contrast, the proportion of grant dollars and number of grants allocated for general support climbed above 15 percent in the mid-1980s, but dropped back to a five-year low at the end of the decade. General support represented 11.3 percent of grant dollars and 16.2 percent of the number of grants reported in 1989, still slightly above the level reported in 1982.

Grants for program development are larger than general support grants. In 1989 the average general support grant amounted to $50,187; the average program support grant came to $76,665. Six of the 30 grants of $5 million and over reported in 1989 supported program costs; only one supported general or operating costs.

The strong growth in program support and the decline in general support in the late 1980s may reflect a more targeted approach to grantmaking that developed as grants budgets doubled in size and the size of grants grew during the decade. An increase in the percentage of large foundations in the sample may also be responsible. Large, staffed foundations tend to award a larger share of program grants and a smaller share of general support grants than smaller, unstaffed foundations. The Foundation Center will continue to monitor and compare these two types of support, attempting to determine whether these are shifts in giving patterns or merely fluctuations caused by changes in the foundations included in the sample.

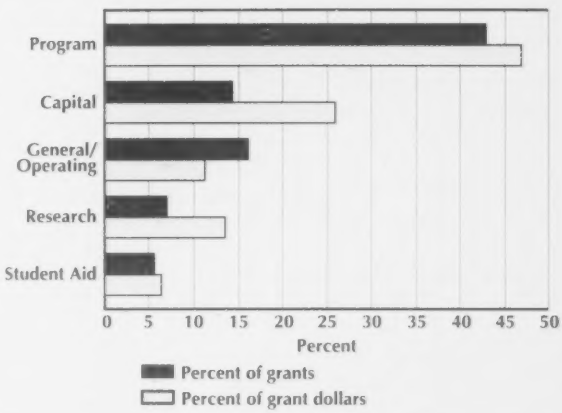
CAPITAL GRANTS RANK CONSISTENTLY SECOND

In 1989 over 26 percent of grant dollars and over 14 percent of the number of grants were awarded for capital purposes (Table 53 and Figure 28), including capital campaigns, building and renovation, equipment, computer systems, land acquisition, debt reduction, and endowment funds. In the previous coding system, endowment dollars were reported separately from capital support. For consistency, endowment dollars are not included in a review of funding trends showing capital support from 1980 to 1989.

Throughout the 1980s capital support claimed more than 20 percent of grant dollars, although it appears to have peaked in 1980-81 (Figure 29). Capital support has consistently ranked second to program support; over time, however, the gap between the two has increased.

Of the 30 grants of $5 million reported to the Center in 1989, half were awarded for capital purposes, adding greatly to the value of the average size grant in this category. The average capital grant (excluding endowments) amounted to $123,454. The average endowment grant was $155,742. Endowment, building and renovation, and land

FIGURE 28. MAJOR TYPES OF SUPPORT, 1989



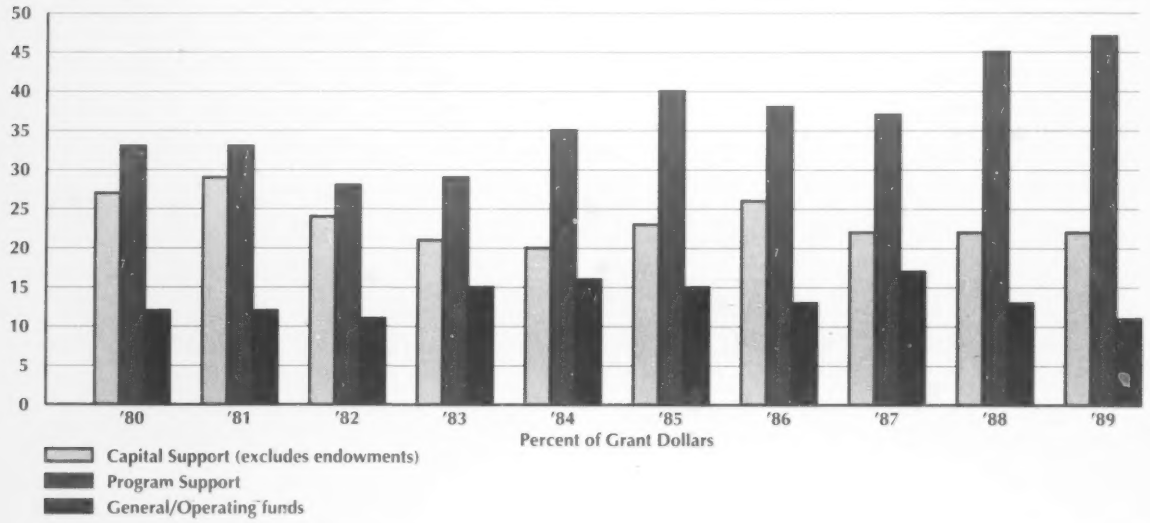
* Types of support representing at least 5 percent of grant dollars.
Capital support includes endowment funds.

TABLE 53. TYPE OF SUPPORT AWARDED*

Type of Support	Dollar Value of Grants 1989 Amount	%	Number of Grants 1989 No.	%	Average Dollar Value of Grant
General Support	$ 368,872	11.3	7,530	16.2	$ 50,187
General/Operating	352,773	10.8	7,316	15.8	48,219
Annual Campaigns	16,099	0.5	214	0.5	75,227
Capital Support	851,539	26.2	6,685	14.4	127,416
Capital Campaigns	132,220	4.1	1,222	2.6	108,199
Building/Renovation	435,133	13.4	2,780	6.0	156,522
Equipment	83,159	2.6	1,309	2.8	68,528
Computer Systems/ Equipment	36,529	1.1	425	0.9	85,952
Land Acquisition	19,895	0.6	70	0.2	284,215
Endowments	126,618	3.9	813	1.8	155,742
Debt Reduction	17,984	0.6	66	0.1	27,249
Emergency Funds	1,871	0.1	49	0.1	38,184
Program Support	1,515,597	46.6	19,769	42.6	76,665
Program Development	1,217,822	37.4	15,708	33.8	77,528
Conferences/ Seminars	50,647	1.6	1,049	2.3	38,577
Faculty/Staff Development	45,603	1.4	554	1.2	82,317
Professorships	29,558	0.9	142	0.3	208,158
Film/Video/Radio	39,641	1.2	320	0.7	123,878
Publication	42,681	1.3	774	1.7	55,144
Seed Money	73,529	2.3	737	1.6	99,769
Performance/ Productions	16,114	0.5	485	1.0	33,226
Research	443,313	13.6	3,256	7.0	136,154
Student Aid Funds	209,032	6.4	2,623	5.6	79,692
Student Aid-General	18,935	0.6	186	0.4	101,800
Fellowships	106,771	3.3	674	1.5	158,414
Internships	10,114	0.3	162	0.3	62,433
Scholarships	73,212	2.2	1,601	3.4	45,729
Technical Assistance	59,956	1.8	624	1.3	96,084
‡Qualifying Support Type:					
Continuing	$747,557	23.0	11,235	24.2	$ 66,538
Matching or Challenge	233,097	7.2	1,257	2.7	185,439

Source: *Foundation Grants Index*, 1990.
* Dollar figures expressed in thousands; grants may occasionally be for multiple types of support, i.e., for program support and for research, and would therefore be counted twice.
‡ Qualifying types of support are tracked in addition to basic types of support, i.e., a challenge grant for construction, and are thereby represented separately.

FIGURE 29. PROGRAM, CAPITAL AND GENERAL SUPPORT GRANT DOLLARS, 1980–1989



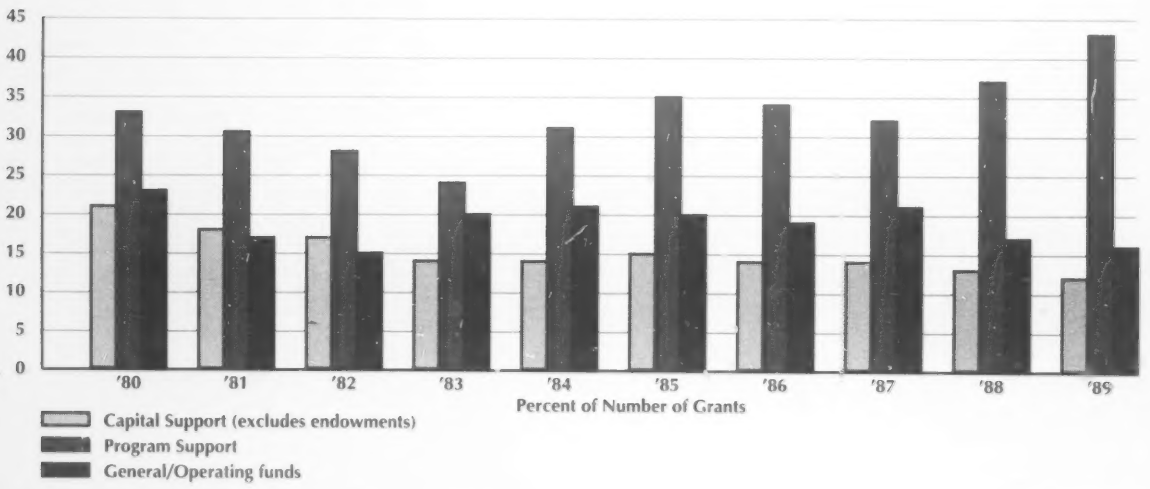
Source: *Foundation Grants Index*, 1981-1990.

acquisition grants tend to be larger in size than other types of support awarded, however, they are generally awarded on a one-time basis to specific institutions.

Among other types of support in 1989, research grants accounted for 13.6 percent of grant dollars and 7 percent of grant numbers, levels consistent with the previous five years. The average research grant amounts to $136,154. Approximately 6.4 percent of grant dollars and 5.6 percent of grant numbers supported student aid funds of various institutions. More than half of these dollars supported graduate or post-graduate fellowships. Two less common types of support are tracked in the new classification system—emergency funds and technical assistance.

Among qualifying types of support, a total of 23 percent of the grant dollars reported in 1989 were designated as continuing support, a share that is consistent with patterns of the past five years. This relatively con-

FIGURE 30. PROGRAM, CAPITAL AND GENERAL SUPPORT GRANTS, 1980–1989



stant level of continuing support demonstrates a willingness among foundations to assist recipients in assuring longevity to their programs and services.

Matching and challenge grants, a second type of qualifying support, currently account for 7.2 percent of the total dollar and 2.7 percent of the total number of grants (Table 53). There is a growing interest among grantmakers and grantseekers in using foundation dollars awarded for either matching or challenge support as leverage for building their financial support base. Notably, a few top 100 grantmakers restrict their giving almost exclusively to challenge grants, among them the Kresge Foundation.

Special Populations

The new grants classification system increases the number of major beneficiary groups reported on by the Foundation Center from twelve to seventeen, while maintaining an indexing policy first introduced in 1980. Grants are coded by specific population group when the intended audience is noted in the grant description or when the beneficiary is clear from the name and purpose of the recipient organization. If the intended beneficiary includes more than one population group, e.g., minority women and their children, the grant is added to the total amount reported for each applicable category. Because grants may be counted more than once, each category is analyzed as a percentage of the total grant dollars and number of grants represented in this sample.

Grants for general support of institutions or programs which serve broad public interests are not included as support for special population groups, although these target audiences also derive indirect benefit from foundation support. Additionally, the category of children and youth does not include grants for general support of elementary and secondary schools, college scholarships, and general recreational agencies such as YMCAs and YWCAs since these grants serve a broader audience than children and youth.

Table 54 shows the actual dollars and the percentage of total grant dollars reported in 1989 within seventeen population categories. Those tracked for the first time in this volume include gays and lesbians, the homeless, immigrants and refugees, military and veterans, and people with AIDS (PWAs). In addition, the new classification system allows for further breakdown of major beneficiary groups such as children and youth, the disabled, and women into subgroups not illustrated in this summary table.

TABLE 54. GRANTS DESIGNATED FOR SPECIAL POPULATION GROUPS*

	Dollar Value of Grants		Number of Grants	
	1989		1989	
Group	Amount	%	No.	%
Aged	$80,536	2.5	1,244	2.7
Alcohol & Drug Abusers	18,842	0.6	420	0.9
Children & Youth	407,436	12.5	6,995	15.1
Disabled	114,616	3.5	1,793	3.9
Gays or Lesbians	838	0.0	33	0.1
Homeless	19,208	0.6	541	1.2
Immigrants & Refugees	16,129	0.5	310	0.7
Men & Boys	27,024	0.8	663	1.4
Military & Veterans	468	0.0	35	0.1
Minorities				
General	99,722	3.1	1,381	3.0
Asians & Pacific Islanders	7,271	0.2	194	0.4
Blacks	92,295	2.8	1,221	2.6
Hispanics	40,697	1.3	751	1.6
Native Americans	16,068	0.5	262	0.6
Offenders & Ex-Offenders	13,117	0.4	292	0.6
People with AIDS	32,051	1.0	319	0.7
Women & Girls	165,869	5.1	2,592	5.6

Source: *Foundation Grants Index*, 1990.

* Dollar figures expressed in thousands. Grants may benefit multiple population groups, i.e., a grant for homeless women and their children, and therefore figures are only representative.

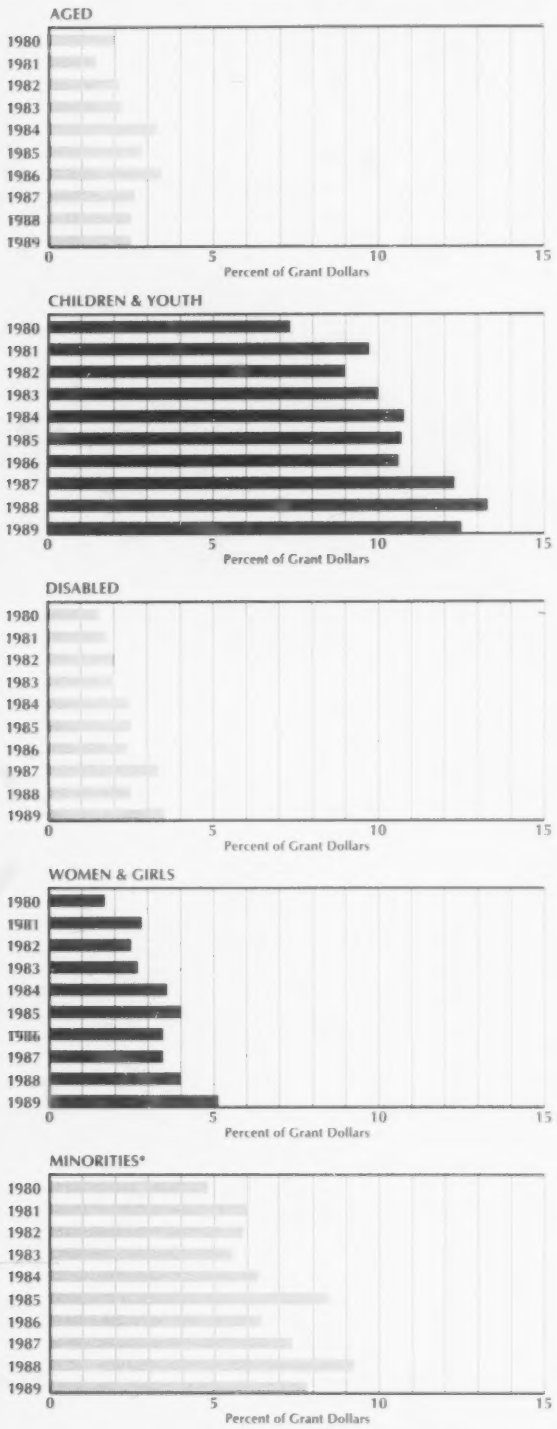
FUNDING FOR SPECIAL POPULATION GROUPS GAINS IN 1980s

Overall, in reviewing trends in giving to major beneficiary groups since the early 1980s, the percentage of grant dollars specially designated has increased (Figure 31). This is partially due to improvements in the reporting of grants data and the amount of information available to the Center on intended beneficiaries, but it also reflects an emerging trend in foundation giving and a concern for neglected or especially needy groups.

Children and youth continue to be the single largest special beneficiary of foundation grant dollars. Their share of allocations jumped from 7.3 percent in 1980 to 12.5 percent in 1989. Seven grants of $2.5 million or more were awarded in 1989 to organizations or projects benefitting children, including four awards from the W. K. Kellogg Foundation mainly to improve the delivery of services to children through coordination of state and community agencies. Kellogg administers perhaps the largest foundation program devoted to child welfare, health, and youth development. In 1989 it distributed about $43 million for these activities.

Funding for programs benefitting women and girls reached its highest level ever at 5 percent in 1989, up from 1.7 percent in 1980 and 4 percent in 1988. Funding for the disabled climbed to 3.5 percent in 1989, up from 2.0 percent in 1980. This category includes both the physically and mentally disabled. Funding for the elderly showed marked gains through 1986, when it reached 3.5 percent

FIGURE 31. MAJOR GRANT BENEFICIARIES, 1980–1989



Source: *Foundation Grants Index*, 1981-1990.

* Aggregate percentages include grants for minorities—general, Asian-Americans, Blacks, Hispanics, and Native Americans.

of funding, but declined slightly at the end of the decade.

Funding for minorities presents special reporting difficulties, due to the wording of grant descriptions and the Center's attempt to avoid double counting of grant dollars. The "general minorities" category shown in Table 54 represents those grants that were intended for the benefit of more than one minority group or for which no specific minority group was named. Grants awarded to named minority groups are presented separately. In some cases, two minority groups are named as beneficiaries of the same grant; those dollars are counted twice.

Overall, as shown in Figure 31, the share of combined funding for minorities appears to have doubled in the 1980s, from under 5 percent to around 9 percent, although the pattern shows gains and losses and a drop in 1989. The share of support for "general minorities" rose from 1.6 percent in 1980 to 3.1 percent in 1989. The share of funding specifically designated for blacks fluctuated during the mid-1980s, peaked at 4.2 percent in 1988, and dropped off in the last reporting year. Patterns of giving for blacks and other minorities are skewed by the dominant role played by the Ford Foundation and by the impact of exceptionally large grants. In 1988, the Center reported three grants of $5 million or more supporting minorities. In the latest reporting year, while no single grant exceeded $5 million, Ford awarded four grants of $2.5 million or more to administer its minority doctoral fellowship progams and to strengthen black institutions.

In designing a new grants classification system, the Center sought to collect data on beneficiary groups not included in its previous coding system. In this first year of data collection, our analysis shows that reporting foundations awarded $32 million for services to people with AIDS (PWAs), $19.2 million to benefit the homeless, and $16 million for services for immigrants and refugees. Trends in giving to these populations will be tracked over time.

Giving Trends of the 100 Largest Foundations

Since 1980, the Foundation Center has included in its *Grants Index* database the nation's 100 largest foundations by total giving, thereby providing a more consistent statistical base for giving trend analysis. In the latest reporting year, the 100 largest givers reported 23,097 grants (50 percent of the total grants included) with a total dollar value of $2.465 billion (76 percent of the total dollars reported). The top 100 grantmakers included 80 independent foundations, four community foundations, one operating foundation, and fifteen company-sponsored foundations.

The inclusion of community foundations, whose giv-

TABLE 55. SUBJECT FOCUS OF GRANTS BY SIZE OF FOUNDATION*

SUBJECT	100 Largest Foundations				372 Other Foundations			
	Dollar Value of Grants		Number of Grants		Dollar Value of Grants		Number of Grants	
	Amount	%	No.	%	Amount	%	No.	%
Arts and Culture								
*Research, advocacy, management, and information	$ 5,527,447	0.2	94	0.4	$ 1,665,332	0.2	81	0.3
Museums and multipurpose programs	122,204,950	5.0	1,035	4.5	44,512,478	5.6	1,107	4.7
Media and communications	59,441,431	2.4	438	1.9	16,734,029	2.1	427	1.8
Architecture and visual arts	12,967,405	0.5	146	0.6	2,777,340	0.4	120	0.5
Theater and dance	47,872,286	1.9	922	4.0	21,905,496	2.8	985	4.2
Music	38,339,913	1.6	709	3.1	23,706,210	3.0	757	3.2
Humanities	29,518,511	1.2	244	1.1	5,661,098	0.7	192	0.8
Historic preservation	11,664,021	0.5	188	0.8	5,920,978	0.8	264	1.1
Other	4,026,286	0.2	67	0.3	1,298,945	0.2	84	0.4
Total Arts and Culture	$ 331,562,250	13.5%	3,843	16.6%	$124,181,906	15.7%	4,017	17.2%
Education								
*Research, advocacy, management, and information	12,490,558	0.5	145	0.6	4,694,922	0.6	114	0.5
Elementary and secondary	81,488,190	3.3	708	3.1	30,248,080	3.8	995	4.3
Vocational and technical	4,271,232	0.2	44	0.2	1,043,953	0.1	43	0.2
Higher education	188,395,678	7.6	2,034	8.8	73,641,213	9.3	1,849	7.9
Graduate and professional	129,145,803	5.2	1,195	5.2	47,543,200	6.0	956	4.1
Adult and continuing	5,354,797	0.2	130	0.6	2,159,096	0.3	110	0.5
Library science/libraries	59,786,435	2.4	258	1.1	11,970,195	1.5	237	1.0
Student services	14,245,873	0.6	115	0.5	9,416,787	1.2	145	0.6
Educational services	34,347,081	1.4	459	2.0	12,381,466	1.6	458	2.0
Total Education	$ 529,525,647	21.5%	5,088	22.0%	$193,098,912	24.5%	4,907	21.0%
Environment/Animals and Wildlife								
Environment	79,241,133	3.2	819	3.5	49,464,919	6.3	918	3.9
Animals and wildlife	24,675,338	1.0	133	0.6	6,418,635	0.8	188	0.8
Total Environment/Animals and Wildlife	$ 103,916,471	4.2%	952	4.1%	$ 55,883,554	7.1%	1,106	4.7%
Health								
General and rehabilitative	318,153,921	12.9%	1,956	8.5%	91,720,241	11.6%	1,865	8.0%
*Policy, management, advocacy, and information	6,539,360	0.3	78	0.3	4,907,247	0.6	95	0.4
Medical research	85,684,777	3.5	369	1.6	28,747,596	3.6	322	1.4
Hospitals and medical care	116,081,235	4.7	799	3.5	37,179,899	4.7	893	3.8
Reproductive health care	37,645,388	1.5	265	1.1	8,474,048	1.1	224	1.0
Public health	44,056,512	1.8	219	0.9	3,323,506	0.4	134	0.6
Other	28,146,649	1.1	226	1.0	9,087,945	1.2	197	0.8
Mental health	66,304,728	2.7	428	1.9	11,917,182	1.5	473	2.0
Specific diseases	57,624,144	2.3	366	1.6	17,632,784	2.2	528	2.3
Total Health	$ 442,082,793	17.9%	2,750	11.9%	$121,270,207	15.4%	2,866	12.3%
Human Services								
Consumer protection and legal aid	6,074,334	0.2	125	0.5	3,011,974	0.4	149	0.6
Crime, justice, and public protection	25,121,220	1.0	384	1.7	5,898,130	0.7	297	1.3
Employment	24,004,146	1.0	449	1.9	8,179,945	1.0	431	1.8
Food, nutrition, and agriculture	41,275,894	1.7	400	1.7	7,771,650	1.0	298	1.3
Housing and shelter	18,910,131	0.8	360	1.6	11,452,370	1.5	486	2.1
Safety and disaster relief	4,522,577	0.2	78	0.3	1,166,885	0.1	62	0.3
Recreation and sports	49,123,573	2.0	284	1.2	11,780,397	1.5	394	1.7
Youth development	33,556,623	1.4	459	2.0	11,188,915	1.4	537	2.3
Human services—multipurpose	163,159,798	6.6	2,313	10.0	66,994,376	8.5	2,956	12.7
Total Human Services	$ 365,748,296	14.8%	4,852	21.0%	$127,444,642	16.2%	5,610	24.0%
International Affairs, Development, and Peace	$ 109,193,268	4.4%	812	3.5%	$ 17,550,030	2.2%	548	2.3%
Public/Society Benefit								
Civil rights and social action	35,357,184	1.4	376	1.6	11,443,596	1.5	497	2.1
Community improvement and development	135,886,601	5.5	1,430	6.2	56,924,563	7.2	1,505	6.4
Philanthropy and voluntarism	13,158,732	0.5	254	1.1	3,593,893	0.5	196	0.8
Public affairs	53,089,149	2.2	539	2.3	17,105,974	2.2	446	1.9
Total Public/Society Benefit	$ 237,491,666	9.6%	2,599	11.3%	$ 89,068,026	11.3%	2,644	11.3%

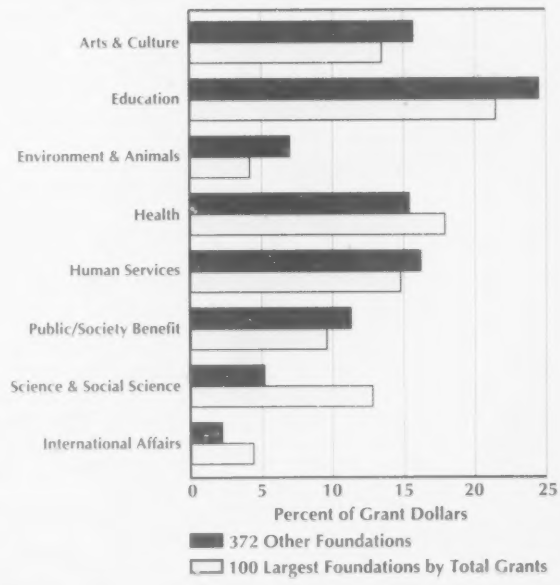
TABLE 55. (continued)

SUBJECT	100 Largest Foundations				372 Other Foundations			
	Dollar Value of Grants		Number of Grants		Dollar Value of Grants		Number of Grants	
	Amount	%	No.	%	Amount	%	No.	%
Science and Social Science								
*Research, management, advocacy, and information	2,936,362	0.1	42	0.2	1,574,321	0.2	33	0.1
General science	95,745,685	3.9	266	1.2	3,583,796	0.5	103	0.4
Physical science	38,037,143	1.5	330	1.4	10,152,173	1.3	274	1.2
Technology	19,172,530	0.8	322	1.4	4,781,302	0.6	78	0.3
Life science	59,468,312	2.4	141	0.6	9,944,047	1.3	173	0.7
Social science and economics	59,953,670	2.4	498	2.2	7,931,638	1.0	211	0.9
Interdisciplinary	38,981,744	1.6	254	1.1	2,691,641	0.3	84	0.4
Other	1,996,500	0.1	10	0.0	216,892	0.0	7	0.0
Total Science and Social Science	$ 316,291,946	12.8%	1,863	8.1%	$ 40,875,810	5.2%	963	4.1%
Religion	$ 27,497,573	1.1%	281	1.2%	$ 17,212,241	2.2%	573	2.5%
Other	$ 1,810,650	0.1%	57	0.2%	$ 2,541,004	0.3%	100	0.4%
TOTAL GRANTS	**$2,465,120,560**	**100.0%**	**23,097**	**100.0%**	**$789,126,332**	**100.0%**	**23,334**	**100.0%**

* Due to rounding, figures may not add up.
* Includes broad range of supporting activities or organizations identified by 16 "common codes."

ing programs are focused almost exclusively on local community needs, tends to lessen the differences in the grantmaking patterns of the largest foundations and the 372 smaller foundations reporting to the *Index*. Nonetheless, comparisons of the distribution of grants and grant dollars by subject (Figure 32 and Table 55) and by type of grant recipients (Table 56) reinforce some previous assumptions regarding the giving tendencies of large and small foundations while introducing some surprising new evidence.

FIGURE 32. FUNDING TRENDS OF 100 LARGEST FOUNDATIONS, 1989



ACADEMIC AND RESEARCH FIELDS FAVORED

In general, the 100 largest foundations place a stronger emphasis on academic and research fields including technology and science, social science and economics, public policy, interdisciplinary research, library science, mental health research, and the humanities. Overall, by broad subject focus, the largest foundations invest a somewhat higher percentage of grant dollars in health and in international affairs and an enormously larger percentage in science and social science (Figure 32). Conversely, and surprisingly in some cases, they collectively invest a smaller percentage of their funds in the broad fields of education, environment and animals, arts and culture, community improvement, human services, and religion.

Within the broad fields in which they are active, the largest foundations demonstrate far greater involvement in specific disciplines or activities than do smaller foundations. In education, for example, they are more likely to support libraries and library science; in the arts, they give more for media and communications and for the humanities; in health, they give far more for mental health, public health, general and rehabilitative health, and for reproductive health care; in human services, they were more active than smaller foundations

in crime and justice; food, nutrition and agriculture; and recreation and sports.

When grants were analyzed by type of recipient organization, we found that the 100 largest foundations allocated 42 percent of all grant dollars to educational institutions, compared with 34 percent of dollars disbursed by smaller foundations in the sample (Table 56). Overall, the largest foundations tend to be stronger supporters of universities, colleges, and graduate schools as well as hospitals, research institutes, museums, and science and social science organizations.

The smaller foundations tend to have a more local focus and put a larger percentage of their grant dollars into program areas that address specific community needs, such as multipurpose human service programs, community improvement, housing and shelter, elementary and secondary education, music, and theatre and dance. Accordingly, smaller foundations tend to be strong supporters of human service agencies, schools, community development groups, performing arts groups, and smaller arts organizations. Somewhat surprisingly, in 1989, smaller foundations contributed a greater portion of grant dollars to environmental programs than did the 100 largest.

Giving Trends of Independent, Corporate, and Community Foundations

Comparisons of the three major types of foundations were made earlier in this report. To summarize broad characteristics as they affect grantmaking:

Independent Foundations may give locally or nationally; they may follow very broad purposes or narrow their focus of giving to one specific program such as cancer research or child develoment. Over time, their purpose and activities tend to shift in response to donor or board interests.

TABLE 56. DISTRIBUTION OF GRANTS BY RECIPIENT ORGANIZATION TYPE AND SIZE OF FOUNDATION*

	Dollar Value of Grants				Number of Grants			
	100 Largest Foundations		372 Other Foundations		100 Largest Foundations		372 Other Foundations	
Recipient Type	Amount*	%	Amount*	%	Number	%	Number	%
Animal-specific agencies	$ 23,314	0.9%	$ 5,582	0.7%	131	0.6%	177	0.8%
Arts/humanities organizations	48,783	2.0	15,241	1.9	777	3.4	722	3.1
Churches/temples	31,373	1.3	21,796	2.8	347	1.5	812	3.5
Civil rights groups	37,336	1.5	10,371	1.3	416	1.8	456	2.0
Community improvement organizations	96,322	3.9	31,847	4.0	1,035	4.5	1,158	5.0
Disease-specific health associations	15,424	0.6	10,986	1.4	216	0.9	387	1.7
Educational institutions	1,028,539	41.7	259,465	32.9	7,760	33.6	6,262	26.8
Colleges & universities	790,033	32.0	173,318	22.0	5,339	23.1	3,618	15.5
Educational support agencies	106,279	4.3	28,809	3.7	1,041	4.5	945	4.0
Graduate schools	53,931	2.2	18,129	2.3	408	1.8	323	1.4
Junior/community colleges	6,842	0.3	3,285	0.4	100	0.4	127	0.5
Libraries	11,743	0.5	4,539	0.6	137	0.6	137	0.6
Schools	59,711	2.4	31,385	4.0	735	3.2	1,112	4.8
Environmental agencies	49,514	2.0	30,463	3.9	615	2.7	861	3.7
Federated funds	39,583	1.6	35,442	4.5	513	2.2	569	2.4
Government agencies	67,256	2.7	13,923	1.8	463	2.0	329	1.4
Hospitals/medical care facilities	135,219	5.5	52,026	6.6	1,012	4.4	1,170	5.0
Human service agencies	240,053	9.7	96,378	12.2	3,807	16.5	4,435	19.0
Information/public education centers	9,807	0.4	2,546	0.3	142	0.6	118	0.5
International organizations	73,925	3.0	14,732	1.9	665	2.9	534	2.3
Media organizations	53,279	2.2	17,366	2.2	367	1.6	381	1.6
Mental health agencies	37,391	1.5	8,262	1.0	301	1.3	364	1.6
Museums/historical societies	136,495	5.5	61,186	7.8	983	4.3	1,165	5.0
Performing arts groups	82,733	3.4	46,069	5.8	1,495	6.5	1,671	7.2
Philanthropy organizations	9,715	0.4	3,819	0.5	241	1.0	209	0.9
Professional societies & associations	139,541	5.7	32,865	4.2	1,514	6.6	1,266	5.4
Public administration agencies	57,399	2.3	15,307	1.9	504	2.2	387	1.7
Public/general health organizations	73,589	3.0	17,328	2.2	426	1.8	496	2.1
Public policy institutes	44,816	1.8	11,156	1.4	424	1.8	317	1.4
Recreation organizations	40,036	1.6	5,121	0.6	171	0.7	211	0.9
Research institutes	100,899	4.1	16,721	2.1	596	2.6	437	1.9
Science/social science organizations	117,064	4.7	19,158	2.4	690	3.0	366	1.6
Technical assistance centers	47,832	1.9	12,662	1.6	456	2.0	479	2.1
Volunteer bureaus	1,416	0.1	1,296	0.2	47	0.2	82	0.4
Youth development organizations	28,230	1.1	11,995	1.5	439	1.9	537	2.3

* Dollar figures in thousands; grants may support multiple recipient types, i.e., an environmental research institute, and would therefore be counted twice. Percentages are based on total grant dollars and number of grants reported.

Corporate Foundations give in fields closely related to corporate activities or to strengthen communities in which the company operates. Companies tend to give more grants but in smaller dollar amounts than independent foundations. Contribution programs are subject to radical restructuring when company management changes or due to mergers or takeovers.

Community Foundations generally limit their giving to charitable organizations in their local community. They tend to give broadly in response to community needs, although the largest community foundations target giving through well-defined programs. Community foundations often offer technical assistance to nonprofits in addition to grants and loans.

SAMPLE FOR 1989

Table 57 details the number of foundations reporting to the Foundation Center's grants database for 1989 and the dollar value and number of their grants by foundation type. Independent foundations account for the largest portion of foundations in the sample (73 percent) as well as the highest percentage of both the dollar value and number of grants reported (86 percent and 66.5 percent, respectively). The grant dollars of independent foundations tend to be somewhat overrepresented in the sample due to their preponderance among the 100 largest.

Independent foundations included in the 1989 grants sample account for $2.8 billion in grant dollars, representing 47 percent of the total giving by independent foundations reported earlier in this report (Table 2.) For corporate foundations, the grants sample ($315.8 million) represents about 28 percent of all corporate foundation giving and for community foundations, the grants sample ($121.7 million) also equals a 28 percent share of total giving. Therefore, this analysis is not intended as a comprehensive review of giving by foundation type, but it nevertheless provides some insight into the grantmaking activities of the three major foundation types.

GIVING TRENDS OF INDEPENDENT FOUNDATIONS

Figure 33 and Table 58 compare funding trends by subject; Table 59 illustrates trends by type of grant recipient. Funding trends of independent foundations are similar to patterns previously noted for the 100 largest foundations. The education category and health category account for the largest portion of the grant dollars of independent foundations (21 percent and 18.5 percent, respectively). When combined, human services, public/society benefit, and the environment represent an additional 29 percent.

Education, especially higher education and graduate education, receives broad support from independent foundations, and, accordingly, they distribute 40 percent

FIGURE 33. FUNDING TRENDS OF INDEPENDENT, CORPORATE, AND COMMUNITY FOUNDATIONS, 1989

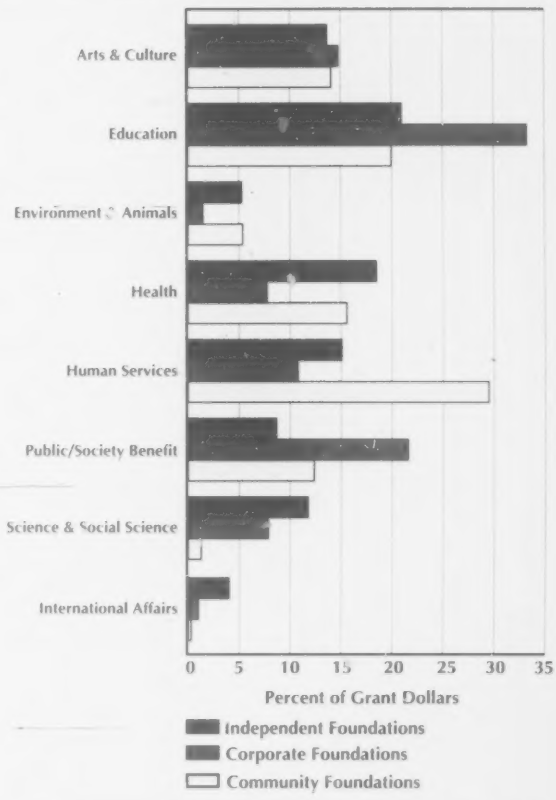


TABLE 57. DISTRIBUTION OF GRANT DOLLARS BY FOUNDATION TYPE*

	Number of Foundations		Dollar Value of Grants		Number of Grants	
Foundation Type	No.	%	Amount	%	No.	%
Independent Foundations	345	73.1	$2,805,839	86.2	30,858	66.5
Corporate Foundations	78	16.5	315,843	9.7	12,160	26.2
Community Foundations	45	9.5	121,694	3.7	3,226	6.9
Operating Foundations	4	0.8	10,871	0.3	187	0.4
TOTAL	472	100.0%	$3,254,247	100.0%	46,431	100.0%

* Dollar figures in thousands.

TABLE 58. SUBJECT FOCUS OF GRANT DOLLARS BY FOUNDATION TYPE*

SUBJECT	Independent		Corporate		Community	
	Amount	%	Amount	%	Amount	%
Arts and Culture						
*Research, advocacy, management, and information	$ 5,911	0.2	$ 910	0.3	$ 338	0.3
Museums and multipurpose programs	140,625	5.0	17,155	5.4	6,009	4.9
Media and communications	69,753	2.5	4,491	1.4	1,856	1.5
Architecture and visual arts	13,254	0.5	546	0.2	168	0.1
Theater and dance	54,841	2.0	10,170	3.2	4,760	3.9
Music	48,381	1.7	10,695	3.4	2,922	2.4
Humanities	33,294	1.2	874	0.3	244	0.2
Historic preservation	15,199	0.5	1,652	0.5	600	0.5
Other	3,207	0.1	404	0.1	215	0.2
Total Arts and Culture	$ 384,466	13.7%	$ 46,897	14.8%	$ 17,112	14.1%
Education						
*Research, advocacy, management, and information	14,517	0.5	1,912	0.6	756	0.6
Elementary and secondary	100,793	3.6	6,868	2.2	4,064	3.3
Vocational and technical	4,667	0.2	324	0.1	324	0.3
Higher education	197,479	7.0	57,424	18.2	6,227	5.1
Graduate and professional	149,955	5.3	24,067	7.6	2,666	2.2
Adult and continuing	6,592	0.2	651	0.2	271	0.2
Library science/libraries	67,394	2.4	2,028	0.6	713	0.6
Student services	10,857	0.4	6,511	2.1	6,294	5.2
Educational services	38,036	1.4	5,435	1.7	3,258	2.7
Total Education	$ 590,290	21.0%	$ 105,222	33.3%	$ 24,573	20.2%
Environment/Animals and Wildlife						
Environment	119,652	4.3	3,129	1.0	5,673	4.7
Animals and wildlife	28,670	1.0	1,475	0.5	949	0.8
Total Environment/Animals and Wildlife	$ 148,321	5.3%	$ 4,604	1.5%	$ 6,622	5.4%
Health						
General and rehabilitative	379,792	13.5	19,663	6.2	10,394	8.5
*Policy, management, advocacy, and information	8,687	0.3	2,092	0.7	673	0.6
Medical research	109,867	3.9	3,789	1.2	761	0.6
Hospitals and medical care	138,874	4.9	9,035	2.9	5,352	4.4
Reproductive health care	44,729	1.6	375	0.1	1,016	0.8
Public health	45,254	1.6	1,108	0.4	1,018	0.8
Other	32,386	1.2	3,264	1.0	1,574	1.3
Mental health	71,749	2.6	1,418	0.4	5,054	4.2
Specific diseases	68,265	2.4	3,469	1.1	3,507	2.9
Total Health	$ 519,806	18.5%	$ 24,547	7.8%	$ 18,955	15.6%
Human Services						
Consumer protection and legal aid	6,128	0.2	655	0.2	2,279	1.9
Crime, justice, and public protection	27,657	1.0	1,291	0.4	2,052	1.7
Employment	25,675	0.9	4,438	1.4	2,063	1.7
Food, nutrition, and agriculture	45,949	1.6	1,755	0.6	1,239	1.0
Housing and shelter	22,392	0.8	2,628	0.8	5,329	4.4
Safety and disaster relief	4,324	0.2	1,214	0.4	151	0.1
Recreation and sports	57,279	2.0	1,774	0.6	1,836	1.5
Youth development	37,343	1.3	5,089	1.6	2,307	1.9
Human services—multipurpose	196,132	7.0	15,368	4.9	18,630	15.3
Total Human Services	$ 422,878	15.1%	$ 34,212	10.8%	$ 35,883	29.5%
International Affairs, Development, and Peace	$ 122,010	4.3%	$ 4,241	1.3%	$ 252	0.2%
Public/Society Benefit						
Civil rights and social action	41,867	1.5	3,012	1.0	1,857	1.5
Community improvement and development	124,765	4.4	56,304	17.8	11,705	9.6
Philanthropy and voluntarism	15,001	0.5	1,016	0.3	725	0.6
Public affairs	61,566	2.2	7,813	2.5	746	0.6
Total Public/Society Benefit	$ 243,199	8.7%	$ 68,145	21.6%	$ 15,034	12.4%
Science and Social Science						
*Research, management, advocacy, and information	3,781	0.1	700	0.2	30	0.0
General science	93,351	3.3	5,281	1.7	697	0.6
Physical science	40,981	1.5	7,193	2.3	15	0.0
Technology	17,397	0.6	6,130	1.9	427	0.4
Life science	66,704	2.4	2,584	0.8	45	0.0
Social science and economics	65,778	2.3	1,774	0.6	288	0.2
Interdisciplinary	40,380	1.4	1,257	0.4	37	0.0
Other	2,188	0.1	25	0.0	0	0.0
Total Science and Social Science	$ 330,560	11.8%	$ 24,944	7.9%	$ 1,539	1.3%
Religion	$ 40,925	1.5%	$ 2,342	0.7%	$ 1,443	1.2%
Other	$ 3,384	0.1%	$ 688	0.2%	$ 280	0.2%
TOTAL GRANTS	**$2,805,839**	**100.0%**	**$ 315,843**	**100.0%**	**$ 121,694**	**100.0%**

* Dollar figures in thousands; due to rounding, figures may not add up.
* Includes broad range of supporting activities or organizations identified by 16 "common codes."

of grant dollars to educational institutions. Independent foundations spent 3.6 percent of grant dollars directly on elementary and secondary education, more than the share allocated by either corporate or community foundations.

The more pronounced interest of independent foundations in health, especially the subcategories of medical research and hospitals and medical care, owes much to the inclusion of large grantmakers solely dedicated to the health field, such as the Robert Wood Johnson Foundation, the William K. Warren Foundation, the Lucille P. Markey Charitable Trust, the Henry J. Kaiser Family Foundation, and the Colorado Trust, and to other large foundations with specific health and medical giving programs such as the John D. and Catherine T. MacArthur Foundation (mental health research), the Aaron Diamond Foundation (AIDS research), and the Edna McConnell Clark Foundation (parasitic diseases).

Independent foundations also demonstrate a strong interest in the arts and humanities, science and social science, and the environment and are the only foundation type strongly engaged in international affairs and international development.

GIVING TRENDS OF CORPORATE FOUNDATIONS

Company foundations gave fully one-third of their grant dollars to the education category, far more than either independent or community foundations (Figure 33 and Table 58). Fully 26 percent of grants supported higher education and graduate education, while just over 2 percent was spent for pre-collegiate education. As grant recipients, educational institutions were overwhelmingly favored by corporate foundations: they received 40 percent of grant dollars.

The second largest share of corporate foundation giving (22 percent) was distributed in the public/society benefit category, primarily for community improvement and development, including United Way agencies, and for public affairs. As a recipient type, federated funds received fully 15 percent of grant dollars. Corporate foundations were also major contributors to the arts, especially museums, theatre and dance, and music, and provided strong support for science and technology programs. As a group, they gave proportionally less than independent or community foundations for health, human services, and the environment, and gave only minimal support to international affairs or development.

TABLE 59. DISTRIBUTION OF GRANTS BY THREE FOUNDATION TYPES AND 34 RECIPIENT TYPES*

	Community Foundations				Corporate Foundations				Independent Foundations			
Recipient Type	Dollar Value	%	No. of Grants	%	Dollar Value	%	No. of Grants	%	Dollar Value	%	No. of Grants	%
Animal-specific agencies	$ 546	0.4%	16	0.5%	$ 1,482	0.5%	72	0.6%	$ 26,868	1.0%	220	0.7%
Arts/humanities organizations	3,766	3.1	106	3.3	7,200	2.3	388	3.2	52,544	1.9	994	3.2
Churches/temples	2,158	1.8	101	3.1	2,600	0.8	52	0.4	48,392	1.7	1,005	3.3
Civil rights groups	1,357	1.1	65	2.0	3,503	1.1	214	1.8	42,797	1.5	590	1.9
Community improvement organizations	10,626	8.7	253	7.8	10,585	3.4	623	5.1	106,879	3.8	1,311	4.2
Disease-specific health associations	2,308	1.9	71	2.2	3,002	1.0	146	1.2	21,100	0.8	386	1.3
Educational institutions	27,942	23.0	507	15.7	126,162	39.9	4,333	35.6	1,127,883	40.2	9,118	29.5
Colleges & universities	12,973	10.7	237	7.3	89,937	28.5	2,937	24.2	855,889	30.5	5,736	18.6
Educational support agencies	10,281	8.4	97	3.0	23,552	7.5	819	6.7	101,117	3.6	1,065	3.5
Graduate schools	445	0.4	22	0.7	4,046	1.3	155	1.3	67,570	2.4	554	1.8
Junior/community colleges	354	0.3	20	0.6	682	0.2	50	0.4	9,092	0.3	157	0.5
Libraries	265	0.2	13	0.4	1,839	0.6	63	0.5	13,003	0.5	192	0.6
Schools	3,625	3.0	118	3.7	6,107	1.9	309	2.5	81,211	2.9	1,414	4.6
Environmental agencies	5,062	4.2	104	3.2	2,724	0.9	216	1.8	71,940	2.6	1,141	3.7
Federated funds	2,468	2.0	56	1.7	47,943	15.2	719	5.9	24,615	0.9	307	1.0
Government agencies	1,695	1.4	57	1.8	3,768	1.2	181	1.5	75,621	2.7	555	1.8
Hospitals/medical care facilities	6,664	5.5	141	4.4	8,996	2.8	388	3.2	171,567	6.1	1,652	5.4
Human service agencies	31,735	26.1	1,008	31.2	24,847	7.9	1,611	13.2	279,657	10.0	5,607	18.2
Information/public education centers	451	0.4	16	0.5	669	0.2	53	0.4	11,204	0.4	190	0.6
International organizations	355	0.3	23	0.7	4,390	1.4	248	2.0	83,742	3.0	920	3.0
Media organizations	1,865	1.5	37	1.1	4,260	1.3	166	1.4	64,297	2.3	534	1.7
Mental health agencies	3,411	2.8	93	2.9	1,339	0.4	124	1.0	40,902	1.5	448	1.5
Museums/historical societies	4,949	4.1	120	3.7	14,281	4.5	601	4.9	175,670	6.3	1,389	4.5
Performing arts groups	7,417	6.1	235	7.3	21,374	6.8	992	8.2	99,955	3.6	1,936	6.3
Philanthropy organizations	650	0.5	29	0.9	982	0.3	101	0.8	11,892	0.4	319	1.0
Professional societies & associations	7,248	6.0	191	5.9	14,691	4.7	686	5.6	150,154	5.4	1,886	6.1
Public administration agencies	1,384	1.1	43	1.3	3,478	1.1	194	1.6	67,783	2.4	651	2.1
Public/general health organizations	2,866	2.4	87	2.7	5,036	1.6	164	1.3	83,015	3.0	671	2.2
Public policy institutes	394	0.3	16	0.5	3,956	1.3	202	1.7	51,436	1.8	515	1.7
Recreation organizations	1,075	0.9	36	1.1	1,574	0.5	91	0.7	42,498	1.5	254	0.8
Research institutes	1,185	1.0	29	0.9	4,243	1.3	207	1.7	112,150	4.0	794	2.6
Science/social science organizations	483	0.4	20	0.6	12,955	4.1	317	2.6	122,714	4.4	717	2.3
Technical assistance centers	1,488	1.2	35	1.1	9,598	3.0	424	3.5	49,408	1.8	476	1.5
Volunteer bureaus	706	0.6	15	0.5	421	0.1	31	0.3	1,585	0.1	83	0.3
Youth development organizations	3,075	2.5	85	2.6	4,957	1.6	297	2.4	32,183	1.1	593	1.9

* Dollar figures expressed in thousands; grants may support multiple recipient types, i.e., an environmental research institute, and would therefore be counted twice. Percentages are based on total grant dollars and number of grants reported.

GIVING TRENDS OF COMMUNITY FOUNDATIONS

As revealed in Figure 33 and Table 58, community foundations invest nearly 30 percent of their grant dollars in human service programs including housing and shelter and another 12 percent in the public/society benefit category, most of it channeled into community development. In line with this profile, the recipient organizations they tend to favor include human service agencies, which received 25 percent of funding, and community improvement organizations, which received nearly 9 percent (Table 59).

Community foundations provide strong support for education (20 percent of grant dollars), but unlike corporate and independent foundations, the emphasis is far less on higher education and more on elementary and secondary education, student services, and educational services (11 percent of grant dollars went to these subcategories of education).

Seven percent of grant dollars of community foundations are allocated for health, mainly for hospitals and medical care; mental health, which includes alcohol and drug abuse treatment and prevention; and for the treatment of specific diseases, such as AIDS. Finally community foundations give strong support to local arts and cultural programs and increasingly to environmental programs. Community foundations and independent foundations each committed over 5 percent of grant dollars to the environment and wildlife category in 1989.

Not surprisingly, community foundations showed almost no interest in international affairs nor did they contribute to science and social science programs.

FOUNDATION TYPE AND TYPES OF SUPPORT

Table 60 reviews the grants and grant dollars awarded by independent, corporate, and community foundations according to seven major types of support and 21 subcategories. It shows striking in differences in the kinds of grants awarded.

Independent Foundations award 48 percent of grant dollars and grants for ongoing program support and for new program development; nearly 29 percent of grant dollars for capital support; 15 percent of grant dollars for research; 11 percent of grant dollars for general or operating support (but 17 percent of the number of grants); and 7 percent for student aid. Among qualifying types of support, 8 percent of independent foundation grant dollars are matching or challenge grants.

TABLE 60. DISTRIBUTION OF GRANTS BY FOUNDATION TYPE AND TYPE OF SUPPORT AWARDED*

	Community Foundations				Corporate Foundations				Independent Foundations			
Type of Support	Dollar Value	%	No. of Grants	%	Dollar Value	%	No. of Grants	%	Dollar Value	%	No. of Grants	%
General support	$21,841	17.9%	388	12.0%	$48,472	15.3%	1,890	15.5%	$ 297,889	10.6%	5,228	16.9%
General operating	21,731	17.9	386	12.0	43,969	13.9	1,847	15.2	286,403	10.2	5,059	16.4
Annual campaigns	110	0.1	2	0.1	4,503	1.4	43	0.4	11,486	0.4	169	0.5
Capital support	17,227	14.2	395	12.2	24,576	7.8	655	5.4	804,688	28.7	5,626	18.2
Capital campaigns	3,530	2.9	61	1.9	13,460	4.3	345	2.8	112,230	4.0	811	2.6
Building/renovation	6,729	5.5	164	5.1	5,747	1.8	199	1.6	422,158	15.0	2,416	7.8
Equipment	2,555	2.1	109	3.4	385	0.1	27	0.2	80,170	2.9	1,172	3.8
Computer systems/equipment	1,150	0.9	35	1.1	379	0.1	10	0.1	35,000	1.2	380	1.2
Land acquisition	2,138	1.8	3	0.1	60	0.0	4	0.0	17,697	0.6	63	0.2
Endowments	1,073	0.9	20	0.6	4,281	1.4	65	0.5	119,764	4.3	726	2.4
Debt reduction	53	0.0	3	0.1	263	0.1	5	0.0	17,669	0.6	58	0.2
Emergency funds	283	0.2	10	0.3	46	0.0	2	0.0	1,543	0.1	37	0.1
Program support	63,155	51.9	1,691	52.4	81,592	25.8	3,217	26.5	1,366,612	48.7	14,740	47.8
General	55,686	45.8	1,439	44.6	68,620	21.7	2,705	22.2	1,089,895	38.8	11,478	37.2
Conferences/seminars	610	0.5	31	1.0	1,935	0.6	110	0.9	48,005	1.7	902	2.9
Faculty/staff development	1,626	1.3	30	0.9	1,968	0.6	88	0.7	42,002	1.5	435	1.4
Professorships	285	0.2	5	0.2	2,882	0.9	34	0.3	26,392	0.9	103	0.3
Film/video/radio	403	0.3	22	0.7	741	0.2	20	0.2	38,482	1.4	277	0.9
Publication	652	0.5	32	1.0	1,265	0.4	55	0.5	40,315	1.4	661	2.1
Seed money	3,103	2.6	108	3.3	1,103	0.3	31	0.3	69,275	2.5	597	1.9
Performance/productions	790	0.6	24	0.7	3,078	1.0	174	1.4	12,246	0.4	287	0.9
Research	2,862	2.4	93	2.9	14,599	4.6	317	2.6	425,296	15.2	2,821	9.1
Student aid funds	6,805	5.6	51	1.6	12,988	4.1	425	3.5	188,580	6.7	2,126	6.9
Student aid	6,074	5.0	8	0.2	106	0.0	10	0.1	12,755	0.5	168	0.5
Fellowships	69	0.1	2	0.1	5,498	1.7	146	1.2	100,945	3.6	516	1.7
Internships	145	0.1	5	0.2	156	0.0	10	0.1	9,414	0.3	136	0.4
Scholarships	516	0.4	36	1.1	7,229	2.3	259	2.1	65,466	2.3	1,306	4.2
Technical assistance	5,337	4.4	107	3.3	586	0.2	24	0.2	54,034	1.9	493	1.6
Qualifying support type:‡												
Continuing	$17,792	14.6	633	19.6	$126,102	39.9	4,465	36.7	$602,610	21.5	6,100	19.8
Matching or challenge	4,216	3.5	123	3.8	3,183	1.0	191	1.6	225,698	8.0	943	3.1

* Dollar figures expressed in thousands; grants may occasionally be for multiple types of support, i.e., for program support and for research, and would thereby be counted twice. Percentages are based on total grant dollars reported.

‡ Qualifying types of support are tracked in addition to basic types of support, i.e., a challenge grant for construction, and are thereby represented separately.

Corporate Foundations distribute only 26 percent of grant dollars for program support; 15 percent of grant dollars are for general or operating expenses; only 7 percent supports capital expenses; and 5 percent goes to research. Fully 40 percent of corporate grant dollars and 37 percent of grants are designated as continuing support, compared with much lower percentages among independent and community foundations. (Many more corporate grants are unspecified as to type of support and cannot be coded.)

Community Foundations distribute 52 percent of grant dollars and 53 percent of grants for program support, the largest percentage of any foundation type. They also award the largest percentage of grant dollars as operating support (18 percent); by number of grants, however, the share was just 12 percent. In addition, community foundations gave out 14 percent of grants for capital support; nearly 6 percent for student aid; and over 4 percent for technical assistance, far more than designated by other foundation types.

Finding Out About Foundations

There are several ways the public can learn about the activities of grantmaking foundations. Information on all of the 32,000 grantmaking foundations is provided in at least one of the Foundation Center's many directories and indexes to foundation grants, as well as in one of the two online databases the Center makes available to the public through DIALOG Information Services, Inc. The Center's guidebook, *Foundation Fundamentals*, provides detailed information about how to use these publications and takes grantseekers step-by-step though the funding research process.

Although the Center's publications are primarily designed to help grantseekers identify potential funding sources, they are also a primary information resource for grantmakers and their associations and networks, scholars, journalists, regulators, legislators, and anyone else seeking factual data on private, corporate and community foundation philanthropy. Research tools and resources will be reviewed later in this chapter.

In addition to Center publications, there are a number of other published sources of information on grantmakers in particular subject or geographic areas. The Foundation Center's New York library has developed a bibliography of basic sources of information on private foundations, corporate grantmakers, and federal grant programs; a bibliography of sources of grants to individuals; and a bibliography of state and local foundation directories. Single copies of these bibliographies are available free of charge by writing to the Foundation Center, 79 Fifth Avenue, New York, NY 10003 (please include a stamped, self-addressed, business-size envelope).

Foundation Reporting: Voluntary and Mandated

Under the requirements of the 1969 Tax Reform Act, every foundation must make its annual IRS information return (Form 990-PF) available to the public at the foundation's principal office for at least 180 days after filing. These returns are also available to the public through the IRS and the Foundation Center and its cooperating library collections. This means that for every foundation, there is a public record available that provides basic facts about its operations, finances, and grants.

Long before the passage of the 1969 Act, however, a number of larger foundations, and even many smaller ones, had established voluntary reporting patterns that went beyond the minimum requirement set forth in that legislation. Increases in staffing in the 1970s and 1980s enabled many established or emerging foundations to expand public reporting through annual reports, application guidelines, program brochures, or newsletters.

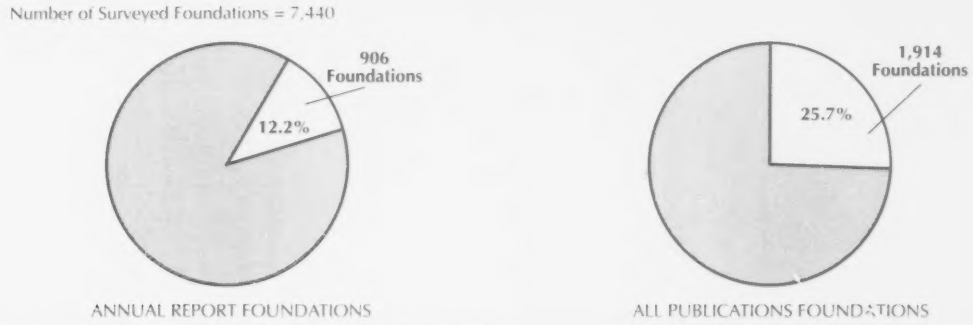
Entries in *The Foundation Directory*, the *National Directory of Corporate Giving*, and in many of the Center's other reference publications, list the publications available from a particular foundation. Current foundation pub-

TABLE 61. FOUNDATIONS ISSUING ANNUAL REPORTS OR OTHER PUBLICATIONS, 1977–1990

Survey Year	Sample Size*	Foundations Issuing Reports		Foundations Issuing Publications	
		Number	Percent	Number	Percent
1990	7,440	906	12.2%	1,914	25.7%
1989	6,615	832	12.6	1,785	27.0
1987	5,148	742	14.4	1,555	30.2
1985	4,402	625	14.2	1,332	30.3
1983	4,063	603	14.8	—	—
1981	3,363	534	16.0	—	—
1979	3,138	463	14.7	—	—
1977	2,818	386	13.7	—	—

Source: 1977 to 1989: *The Foundation Directory*, Editions 6–12; 1990: annual survey of foundations.
* Includes foundations with assets of at least $1 million or making grants of at least $100,000.
— = not available

FIGURE 34. FOUNDATIONS ISSUING ANNUAL REPORTS OR OTHER PUBLICATIONS, 1990



lications are also listed in the Center's *Foundation Grants Index Quarterly.*

HOW MANY FOUNDATIONS REPORT?

The number of foundations that have made a commitment to providing broad information to the public about the nature of their programs and grant activities has grown substantially over the past decade. The Foundation Center's 1990 survey of foundations with assets of $1 million or more or annual grants of at least $100,000 revealed that 906 qualifying foundations published annual or biannual reports, up from 386 foundations in 1977 and 534 in 1981 (Figure 34 and Table 61).

Yet if absolute numbers of reporters are way up, the percentage of foundations represented by annual reports has actually declined since 1981, from 16 percent to just over 12 percent. There is a strong correlation between the more than 3,000 new and newly qualifying foundations added to the survey since 1985 and the subsequent decline in the proportion of annual report foundations. New and emerging foundations—most of them quite small to start off—rarely employ professional staff, nor are they likely to have clearly stated guidelines or defined grant programs.

To capture information on publications of smaller foundations, the Center began to collect information on all types of publications in 1985. Between 1985 and 1990

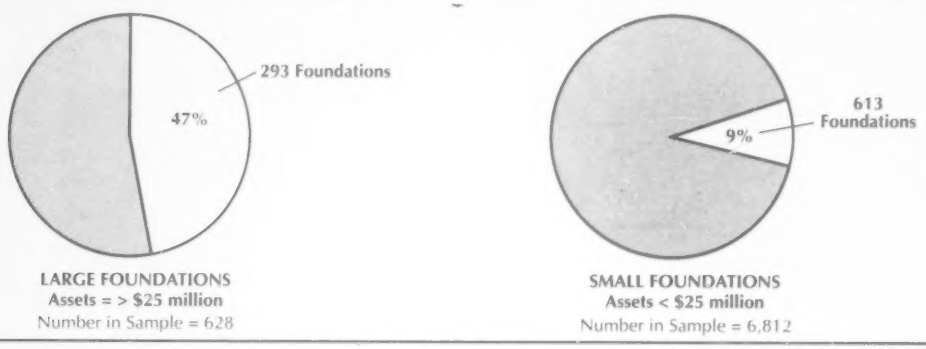
TABLE 62. FOUNDATIONS ISSUING ANNUAL REPORTS AND OTHER PUBLICATIONS BY FOUNDATION TYPE AND SIZE

	Total No. of Foundations	No. Issuing Publications	%	No. Issuing Annual Reports	%	No. Issuing Brochures*	%
Total Foundations in Survey	7,440	1,914	25.7%	906	12.2%	845	11.4%
Geographic Orientation							
Local	5,252	1,436	27.3	670	12.8	631	12.0
National or Regional	2,188	478	21.8	236	10.8	214	9.8
Foundation Type							
Independent	6,147	1,320	21.5	545	8.9	628	10.2
Corporate	937	365	39.0	177	18.9	177	18.9
Community	186	177	95.2	158	84.9	17	9.1
Operating	170	52	30.6	26	15.3	23	13.5
Asset Category							
$100 million and over	168	146	86.9	113	67.3	31	18.5
$50 million–under $100 million	185	131	70.8	87	47.0	38	20.5
$25 million–under $50 million	275	160	58.2	93	33.8	61	22.2
$10 million–under $25 million	771	350	45.4	170	22.0	150	19.5
$5 million–under $10 million	1,003	311	31.0	130	13.0	152	15.2
$1 million–under $5 million	3,866	651	16.8	246	6.4	326	8.4
Under $1 million	1,172	165	14.1	67	5.7	87	7.4

*Includes only those foundations issuing information brochures, application guidelines, or program statements instead of annual reports. An additional 529 foundations that publish annual reports also issue guidelines or brochures.

Source: 1990 survey 7,440 of foundations with assets of at least $1 million or making grants of $100,000 or more.

FIGURE 35. LARGE AND SMALL FOUNDATIONS PUBLISHING ANNUAL REPORTS



the number of foundations issuing publications jumped from 1,332 to 1,914, up 44 percent. However, the proportion of foundations issuing publications dropped from 30 percent to nearly 26 percent (Table 61).

REPORTING UP AMONG COMMUNITY AND CORPORATE FOUNDATIONS; PERCENTAGE DROPS FOR SMALLER INDEPENDENT FOUNDATIONS

Table 62 provides information on foundation publications by foundation type, asset size, and geographic orientation. According to the 1990 survey, reporting by community and corporate foundations increased in the 1980s. Among community foundations 158 (85 percent) now issue an annual report, compared with less than 72 percent in 1981; 177 corporate foundations (19 percent) publish a report, compared with 14 percent in 1981. Surprisingly, despite cuts in corporate foundation staffing documented in the survey, the proportion of corporations publishing a foundation report has continued to increase, a sign of the importance attached to corporate philanthropy even in bad times.

Independent foundations issue the majority of reports (545). As a group their reporting rate dropped from 15 percent in 1981 to just 9 percent in 1990. Among independent foundations, which comprise the majority of new and unstaffed foundations, the key determining factor is asset size.

HALF OF LARGE FOUNDATIONS REPORT

According to the 1990 survey, nearly half (47 percent) of the 628 foundations with assets of $25 million or over publish an annual report. Among smaller foundations, the proportion publishing an annual report shrinks to only 9 percent (Figure 35).

Between 1979 and 1990, in part due to the impact of inflation on foundation assets, the number of "large" foundations surveyed more than tripled and the proportion of those issuing annual reports dropped from over half to just under half (Table 63.) However, 70 percent of these large foundations—437—issue some type of publication that is available to the public, a fairly constant percentage since 1985.

Figure 36 illustrates the proportion of all foundation assets and grants that are represented in foundation annual reports. Although the 906 annual report foundations constitute only 12 percent of surveyed foundations, they contributed $3.7 billion in grants in 1989 or 52 percent of grant dollars. On the asset side, they reported $77.5 billion or 61 percent of total assets.

TABLE 63. REPORTING BY FOUNDATIONS WITH AT LEAST $25 MILLION IN ASSETS, 1977–1990

Year Surveyed	No. of Large Foundations	No. Issuing Reports	Percent	No. Issuing Publications	Percent
1990	628	293	46.7%	437	69.6%
1989	565	257	45.5	382	67.6
1987	469	239	51.0	331	70.6
1985	361	210	58.2	258	71.5
1983	288	169	58.7	—	—
1981	231	129	55.8	—	—
1979	199	112	56.3	—	—
1977	172	104	60.6	—	—

Source: 1977–1989: *The Foundation Directory*, Editions 6–12; 1990: annual survey of foundations.
— = not available

FIGURE 36. 1989 GRANT AND ASSET DOLLARS REPORTED IN ANNUAL REPORTS

Source: 1990 survey of 7,440 foundations with assets of at least $1 million or making grants of $100,000 or more.

Foundation Research: Key Sources of Statistical Information

Secondary sources of information on individual foundations and their grants that also present summary statistical data include: the *National Data Book of Foundations*, covering all 32,000 active grantmaking foundations; *The Foundation Directory*, covering foundations with assets of at least $1 million or making grants of $100,000 or more; the *National Directory of Corporate Giving*, covering over 1,600 corporate foundations and over 600 direct corporate giving programs; *Source Book Profiles*, presenting highly detailed analyses of individual giving patterns of each of the 1,000 largest U.S. foundations; the *Foundation Grants Index*, presenting a comprehensive summary of trends in foundation giving based on grants of approximately 600 of the largest foundations; and a series of computer printouts of grants listings in 30 fields of interest, including summary statistical data of grants and grantmakers in that field. A number of other directories and indexes of other leading publishers, such as Taft Group, frequently present statistical data on individual funders.

For statistical profiles of local grantmaking, researchers are advised to consult the many excellent state directories of foundations published by regional associations of foundations or contact those associations for surveys of local grantmakers.

When research entails measuring the scope of independent, corporate or community foundation giving within the broader nonprofit sector or the larger funding community, recommended sources include Independent Sector's statistical compendium, *Dimensions of the Independent Sector; Giving USA*, the American Association of Fundraising Counsel's survey of private giving from all sources—individuals, bequests, corporations, and foundations; the Council for Aid to Education's *Voluntary Support of America's Colleges and Universities* and *Corporate Support of Education*; and the Conference Board's *Annual Survey of Corporate Contributions*.

Finally, to keep up with current literature, research and general scholarship concerning foundations and philanthropy, the Foundation Center's on-line Bibliographic Information Service has produced *The Literature of the Nonprofit Sector*, Volumes 1 and 2. Combined, these comprehensive bibilographies with abstracts list nearly 7,000 works on philanthropy and philanthropists, foundations, corporate philanthropy, international philanthropy, voluntarism, and other issues concerning nonprofit organizations. New editions of the bibliography are published annually, and quarterly printed updates are circulated to the Center's library network. All of the sources cited in this report have been abstracted in either Volume I or II of the bibliography.

Access to the Information

Through the four Center-operated libraries in New York, Washington, DC, Cleveland, and San Francisco, and a network of 175 funding information centers throughout the United States, the Foundation Center provides free access to its own publications as well as to a variety of other information resources about foundations. In addition to all Center publications, the four libraries operated by the Center have copies of foundation annual reports, brochures, and newsletters; foundation files containing news clippings, releases, and historical materials; and materials by other publishers on foundation and corporate philanthropy, fundraising, nonprofit management, proposal writing, and related subjects. The New York and Washington, DC, libraries have com-

plete collections of the IRS returns for all currently active private foundations in the United States, while the Cleveland and San Francisco libraries contain IRS records for foundations in the midwestern and western states, respectively.

Each of the network libraries listed on the following pages contains a core collection of current Foundation Center reference materials which is available for free public use. Over 100 of the network members have sets of private foundation returns for their state or region, and many of the network libraries also collect other materials related to foundations, fundraising, and nonprofit management. Many reference collections offer special materials or provide extra services, such as seminars or orientations for users. Because all of the collections vary in their hours, materials, and special services provided, it is recommended that you call each collection in advance. For information about new locations or new network members, call toll-free 800-424-9836.

IRS INFORMATION RETURNS

In addition to Foundation Center resources, grantseekers can also turn to the Internal Revenue Service to obtain copies of an individual foundation's annual information return (Form 990-PF). To examine returns, write to the Public Affairs Officer of your regional Internal Revenue Service Center and request the specific returns you wish to see. You can contact your local IRS office listed in the telephone book for the address or telephone number of the appropriate district office for your area.

In ordering IRS returns, include the following information for each foundation requested: full name, city and state location, desired year of return, and if available, the Employer Identification Number (EIN). This number may be found for all foundations in the Foundation Center's annual publication, *The National Data Book of Foundations*. Copies of returns are not available for reporting years prior to 1981.

Appendix A

Regulation of Foundations

Nonprofit organizations that are defined as private foundations by the IRS must be organized and operated under specific regulations, which are primarily derived from the Tax Reform Act of 1969, with some significant modifications as a result of the 1976 Tax Reform Act, the Economic Recovery Tax Act of 1981 (ERTA), and tax legislation enacted in 1984, 1986, 1987, and 1988. The Tax Reform Act of 1969 established the criteria for distinguishing private foundations from public charities and set up a separate category of private foundations with a more favorable tax status for operating foundations.

Provisions of the 1969 Tax Reform Act. The Act set forth special rules that, among other things, prohibit self-dealing between foundations and "disqualified persons," including their donors; restrict foundation ownership and control of private business; limit the percentage of an individual's annual income that can be donated to a private foundation as a tax-deductible contribution; and regulate foundation giving to individuals, other foundations, nonexempt organizations, and activities that influence legislation or political campaigns.

To offset costs incurred by the IRS in regulating tax-exempt organizations, the 1969 Act imposed an excise tax on foundations at the rate of 4 percent of net investment income. Because this excise tax generated revenues that greatly exceeded the annual budget of the exempt organizations branch of the IRS, the Revenue Act of 1978 reduced the tax to two percent. With tax revenues still many times greater than regulatory costs, the Deficit Reduction Act of 1984 reduced the tax from 2 to 1 percent for any foundation that, in a given tax year, makes qualifying distributions at a percentage of its market value that exceeds its five-year average percentage by at least 1 percent.

Payout Requirements. The 1969 Act also required a private foundation to distribute for charitable purposes the higher of all of its "adjusted net income" or a percentage, to be set each year, of the market value of that year's investment assets. This "payout requirement" was later set at 5 percent of the market value of that year's investment assets. Tax legislation in 1984 limited to .65 percent of net investment assets the amount of administrative expenses incurred in making grants that could be counted as part of the five percent payout requirement. The intention was to assure that private foundations could not meet the payout requirement by paying excessive trustee fees or similar non-charitable distributions. The ".65 percent rule" was allowed to lapse at the end of 1990, following a study by the Treasury Department that concluded that it was complex and burdensome and that there was no evidence of excessive administrative expenses on the part of the vast majority of foundations.

Reporting Requirements. The 1969 legislation called for foundations to file two annual information returns with the IRS (Form 990-AR and 990-PF), to make the forms available for inspection by the public, and to file two copies of the forms with state authorities in the state where the foundation is incorporated and maintains its principal offices. Beginning in 1982, foundations have been required to file only one form, a revised version of the Form 990-PF that incorporates all information previously required on the separate forms and calls for additional information on the foundation's grantmaking policies.

Other Provisions. The Tax Reform Act of 1969 further prohibits or circumscribes a number of activities on the part of private foundations, including attempts to influence

legislation, intervening in political campaigns, and making grants to individuals or to other private foundations or non–501(c)(3) organizations. Making grants in these areas entails a certain amount of paperwork for foundations. For instance, a foundation must have an IRS-approved individual grants program in order to make grants to individuals and must follow up such grants with special reports. A foundation may make a grant for a charitable purpose to an organization that does not qualify as a public charity so long as it takes "expenditure responsibility," which entails a grant contract and follow-up reports to the IRS as part of the 990-PF. Foundations may even support groups that include lobbying or voter education and registration in their activities, provided that they and the grantee follow the regulations governing these areas.

State Regulation. The IRS is responsible for enforcing the federal regulations on foundations, and it accomplishes this primarily through review of the 990-PF reports and through audits of individual foundations. At the state level, regulation is typically the concern of the state attorney general, who enforces the state's not-for-profit corporation law and any statutory or common laws governing charitable trustees. The federal regulatory system was designed to encourage more active state regulation of foundations. The 990-PFs must, for instance, be filed with appropriate state authorities as well as with the IRS. Thus, in many states, the office of the attorney general provides another information resource for those interested in researching a foundation located in that state.

Appendix B

THE FOUNDATION CENTER COOPERATING COLLECTIONS NETWORK

The Foundation Center is an independent national service organization established by foundations to provide an authoritative source of information on private philanthropic giving. The New York, Washington, DC, Cleveland and San Francisco reference collections operated by the Foundation Center offer a wide variety of services and comprehensive collections of information on foundations and grants. Cooperating Collections are libraries, community foundations and other nonprofit agencies that provide a core collection of Foundation Center publications and a variety of supplementary materials and services in areas useful to grantseekers.

Many of the network members have sets of private foundation information returns (IRS 990-PF) for their state or region which are available for public use. A complete set of U.S. foundation returns can be found at the New York and Washington, DC, offices of the Foundation Center. The Cleveland and San Francisco offices contain IRS 990-PF returns for the midwestern and western states, respectively. Those Cooperating Collections marked with a bullet (•) have sets of private foundation information returns for their state or region.

Because the collections vary in their hours, materials and services, IT IS RECOMMENDED THAT YOU CALL EACH COLLECTION IN ADVANCE. To check on new locations or more current information, call 1-800-424-9836.

Reference Collections Operated by the Foundation Center

The Foundation Center
8th Floor
79 Fifth Avenue
New York, NY 10003
212-620-4230

The Foundation Center
Room 312
312 Sutter Street
San Francisco, CA 94108
415-397-0902

The Foundation Center
1001 Connecticut Avenue, NW
Washington, DC 20036
202-331-1400

The Foundation Center
Kent H. Smith Library
1442 Hanna Building
Cleveland, OH 44115
216-861-1933

ALABAMA

• Birmingham Public Library
Government Documents
2100 Park Place
Birmingham 35203
205-226-3600

Huntsville Public Library
915 Monroe St.
Huntsville 35801
205-532-5940

University of South Alabama
Library Reference Dept.
Mobile 36688
205-460-7025

• Auburn University at Montgomery Library
7300 University Drive
Montgomery 36117-3596
205-244-3653

ALASKA

• University of Alaska
Anchorage Library
3211 Providence Drive
Anchorage 99508
907-786-1848

Juneau Public Library
292 Marine Way
Juneau 99801
907-586-5249

ARIZONA

• Phoenix Public Library
Business & Sciences Dept.
12 East McDowell Road
Phoenix 85257
602-262-4636

• Tucson Public Library
101 N. Stone Ave.
Tucson 85726-7470
602-791-4393

ARKANSAS

• Westark Community College Library
5210 Grand Avenue
Fort Smith 72913
501-785-7000

Central Arkansas Library System
Reference Services
700 Louisiana Street
Little Rock 72201
501-370-5950

CALIFORNIA

Ventura County Community Foundation
Community Resource Center
1357 Del Norte Road
Camarillo 93010
805-988-0196

• Orange County Community Developmental Council
1695 W. MacArthur Blvd.
Costa Mesa 92626
714-540-9293

• California Community Foundation
Funding Information Center
606 S. Olive St., Suite 2400
Los Angeles 90014-1526
213-413-4042

• Community Foundation for Monterey County
177 Van Buren
Monterey 93942
408-375-9712

Riverside Public Library
3581 7th Street
Riverside 92501
714-782-5201

California State Library
Reference Services, Rm. 301
914 Capitol Mall
Sacramento 94237-0001
916-322-4570

Nonprofit Resource Center
Sacramento Central Library
Downtown Plaza South Mall
Sacramento 95812-2036
916-449-2131

• San Diego Community Foundation
525 "B" Street, Suite 410
San Diego 92101
619-239-8815

• Nonprofit Development Center
1762 Technology Dr., Suite 225
San Jose 95110
408-452-8181

• Peninsula Community Foundation
1700 S. El Camino Real
San Mateo 94402-3049
415-358-9392

Volunteer Center Resource Library
1000 E. Santa Ana Blvd.
Santa Ana 92701
714-953-1655

• Santa Barbara Public Library
40 East Anapamu
Santa Barbara 93101-1603
805-962-7653

Santa Monica Public Library
1343 Sixth Street
Santa Monica 90401-1603
213-458-8600

COLORADO

Pikes Peak Library District
20 North Cascade Avenue
Colorado Springs 80901
719-473-2080

• Denver Public Library
Sociology Division
1357 Broadway
Denver 80203
303-640-8870

CONNECTICUT

Danbury Public Library
170 Main Street
Danbury 06810
203-797-4527

• Hartford Public Library
Reference Department
500 Main Street
Hartford 06103
203-293-6000

D.A.T.A.
70 Audubon St.
New Haven 06510
203-772-1345

DELAWARE

• University of Delaware
Hugh Morris Library
Newark 19717-5267
302-451-2432

FLORIDA

Volusia County Library Center
City Island
Daytona Beach 32014-4484
904-255-3765

• Nova University
Einstein Library—Foundation Resource Collection
3301 College Avenue
Fort Lauderdale 33314
305-475-7497

Indian River Community College
Learning Resources Center
3209 Virginia Avenue
Fort Pierce 34981-5599
407-468-4757

• Jacksonville Public Libraries
Business, Science & Documents
122 North Ocean Street
Jacksonville 32206
904-630-2665

- Miami-Dade Public Library
  Humanities Department
  101 W. Flagler St.
  Miami 33130
  305-375-2665

- Orlando Public Library
  Orange County Library System
  101 E. Central Blvd.
  Orlando 32801
  407-425-4694

  Selby Public Library
  1001 Boulevard of the Arts
  Sarasota 34236
  813-951-5501

- Leon County Public Library
  Funding Resource Center
  1940 North Monroe Street
  Tallahassee 32303
  904-487-2665

  Palm Beach County Community Foundation
  324 Datura Street, Suite 340
  West Palm Beach 33401
  407-659-6800

GEORGIA

- Atlanta–Fulton Public Library
  Foundation Collection—Ivan Allen Department
  1 Margaret Mitchell Square
  Atlanta 30303-1089
  404-730-1900

HAWAII

- Hawaii Community Foundation
  Hawaii Resource Room
  222 Merchant Street
  Honolulu 96813
  808-537-6333

  University of Hawaii
  Thomas Hale Hamilton Library
  2550 The Mall
  Honolulu 96822
  808-956-7214

IDAHO

- Boise Public Library
  715 S. Capitol Blvd.
  Boise 83702
  208-384-4024

- Caldwell Public Library
  1010 Dearborn Street
  Caldwell 83605
  208-459-3242

ILLINOIS

Belleville Public Library
121 East Washington Street
Belleville 62220
618-234-0441

- Donors Forum of Chicago
  53 W. Jackson Blvd., Rm. 430
  Chicago 60604
  312-431-0265

- Evanston Public Library
  1703 Orrington Avenue
  Evanston 60201
  708-866-0305

- Sangamon State University Library
  Shepherd Road
  Springfield 62794-9243
  217-786-6633

INDIANA

- Allen County Public Library
  900 Webster Street
  Fort Wayne 46802
  219-424-7241

  Indiana University Northwest Library
  3400 Broadway
  Gary 46408
  219-980-6582

- Indianapolis–Marion County Public Library
  40 East St. Clair Street
  Indianapolis 46206
  317-269-1733

IOWA

- Cedar Rapids Public Library
  Funding Information Center
  500 First Street, SE
  Cedar Rapids 52401
  319-398-5123

- Southwestern Community College
  Learning Resource Center
  1501 W. Townline Rd.
  Creston 50801
  515-782-7081, ext. 262

- Public Library of Des Moines
  100 Locust Street
  Des Moines 50308
  515-283-4152

KANSAS

- Topeka Public Library
  1515 West Tenth Street
  Topeka 66604
  913-233-2040

- Wichita Public Library
  223 South Main
  Wichita 67202
  316-262-0611

KENTUCKY

Western Kentucky University
Helm-Cravens Library
Bowling Green 42101
502-745-6125

- Louisville Free Public Library
  301 York St.
  Louisville 40203
  502-561-8617

LOUISIANA

- East Baton Rouge Parish Library
  Centroplex Branch
  120 St. Louis Street
  Baton Rouge 70802
  504-389-4960

- New Orleans Public Library
  Business and Science Division
  219 Loyola Avenue
  New Orleans 70140
  504-596-2580

- Shreve Memorial Library
  424 Texas Street
  Shreveport 71120-1523
  318-226-5894

MAINE

- University of Southern Maine
  Office of Sponsored Research
  246 Deering Ave., Rm. 628
  Portland 04103
  207-780-4871

MARYLAND

- Enoch Pratt Free Library
  Social Science and History Department
  400 Cathedral Street
  Baltimore 21201
  301-396-5320

  Carroll County Public Library
  Government and Funding Information Center
  50 E. Main St.
  Westminster 21157
  301-848-4250

MASSACHUSETTS

- Associated Grantmakers of Massachusetts
  294 Washington Street
  Suite 840
  Boston 02108
  617-426-2608

- Boston Public Library
  666 Boylston St.
  Boston 02117
  617-536-5400

  Western Massachusetts Funding Resource Center
  Campaign for Human Development
  65 Elliot St.
  Springfield 01101
  413-732-3175

- Worcester Public Library
  Grants Resource Center
  Salem Square
  Worcester 01608
  508-799-1655

MICHIGAN

- Alpena County Library
  211 North First Avenue
  Alpena 49707
  517-356-6188

  University of Michigan–Ann Arbor
  209 Hatcher Graduate Library
  Ann Arbor 48109-1205
  313-764-1148

- Battle Creek Community Foundation
  One Riverwalk Centre
  34 W. Jackson St.
  Battle Creek 49017
  616-962-2181

- Henry Ford Centennial Library
  16301 Michigan Avenue
  Dearborn 48126
  313-943-2330

- Wayne State University
  Purdy-Kresge Library
  5265 Cass Avenue
  Detroit 48202
  313-577-6424

- Michigan State University Libraries
  Reference Library
  East Lansing 48824-1048
  517-353-8818

- Farmington Community Library
  32737 West 12 Mile Road
  Farmington Hills 48018
  313-553-0300

- University of Michigan–Flint Library
  Reference Department
  Flint 48502-2186
  313-762-3408

- Grand Rapids Public Library
  Business Dept.
  60 Library Plaza NE
  Grand Rapids 49503-3093
  616-456-3600

- Michigan Technological University Library
  1400 Townsend Dr.
  Houghton 49931
  906-487-2507

- Sault Ste. Marie Area Public Schools
  Office of Compensatory Education
  460 W. Spruce St.
  Sault Ste. Marie 49783-1874
  906-635-6619

MINNESOTA

- Duluth Public Library
  520 W. Superior Street
  Duluth 55802
  218-723-3802

  Southwest State University Library
  Marshall 56258
  507-537-7278

- Minneapolis Public Library
  Sociology Department
  300 Nicollet Mall
  Minneapolis 55401
  612-372-6555

  Rochester Public Library
  11 First Street, SE
  Rochester 55902-3743
  507-285-8000

  St. Paul Public Library
  90 West Fourth Street
  Saint Paul 55102
  612-292-6307

MISSISSIPPI

Jackson–Hinds Library System
300 North State Street
Jackson 39201
601-968-5803

Missouri

- Clearinghouse for Midcontinent Foundations
  Univ. of Missouri
  Law School, Suite 1-300
  52nd Street and Oak
  Kansas City 64113-0680
  816-235-1176

- Kansas City Public Library
  311 East 12th Street
  Kansas City 64106
  816-221-9650

- Metropolitan Association for Philanthropy, Inc.
  5585 Pershing Avenue
  Suite 150
  St. Louis 63112
  314-361-3900

- Springfield–Greene County Library
  397 East Central Street
  Springfield 65801
  417-866-4636

Montana

- Eastern Montana College Library
  1500 N. 30th Street
  Billings 59101-0298
  406-657-1662

- Montana State Library
  Reference Department
  1515 E. 6th Avenue
  Helena 59620
  406-444-3004

Nebraska

- University of Nebraska
  106 Love Library
  14th & R Streets
  Lincoln 68588-0410
  402-472-2848

- W. Dale Clark Library
  Social Sciences Department
  215 South 15th Street
  Omaha 68102
  402-444-4826

Nevada

- Las Vegas–Clark County Library District
  1401 East Flamingo Road
  Las Vegas 89119-6160
  702-733-7810

- Washoe County Library
  301 South Center Street
  Reno 89501
  702-785-4012

New Hampshire

- New Hampshire Charitable Fund
  One South Street
  Concord 03302-1335
  603-225-6641

- Plymouth State College
  Herbert H. Lamson Library
  Plymouth 03264
  603-535-2258

New Jersey

Cumberland County Library
800 E. Commerce Street
Bridgeton 08302-2295
609-453-2210

The Support Center
17 Academy Street, Suite 1101
Newark 07102
201-643-5774

County College of Morris
Masten Learning Resource Center
Route 10 and Center Grove Rd.
Randolph 07869
201-328-5296

- New Jersey State Library
  Governmental Reference
  185 West State Street
  Trenton 08625-0520
  609-292-6220

New Mexico

Albuquerque Community Foundation
6400 Uptown Boulevard N.E.
Albuquerque 87105
505-883-6240

- New Mexico State Library
  325 Don Gaspar Street
  Santa Fe 87503
  505-827-3824

New York

- New York State Library
  Cultural Education Center
  Humanities Section
  Empire State Plaza
  Albany 12230
  518-473-4636

Suffolk Cooperative Library System
627 North Sunrise Service Road
Bellport 11713
516-286-1600

New York Public Library
Bronx Reference Center
2556 Bainbridge Avenue
Bronx 10458
212-220-6575

Brooklyn in Touch
One Hanson Place
Room 2504
Brooklyn 11243
718-230-3200

- Buffalo and Erie County Public Library
  Lafayette Square
  Buffalo 14202
  716-858-7103

Huntington Public Library
338 Main Street
Huntington 11743
516-427-5165

Queens Borough Public Library
89-11 Merrick Boulevard
Jamaica 11432
718-990-0700

- Levittown Public Library
  One Bluegrass Lane
  Levittown 11756
  516-731-5728

SUNY/College at Old Westbury Library
223 Store Hill Road
Old Westbury 11568
516-876-3156

Adriance Memorial Library
93 Market Street
Poughkeepsie 12601
914-485-3445

- Rochester Public Library
  Business Division
  115 South Avenue
  Rochester 14604
  716-428-7328

Staten Island Council on the Arts
One Edgewater Plaza, Rm. 311
Staten Island 10305
718-447-4485

- Onondaga County Public Library at the Galleries
  447 S. Salina Street
  Syracuse 13202-2494
  315-448-4636

- White Plains Public Library
  100 Martine Avenue
  White Plains 10601
  914-442-1480

North Carolina

- Asheville-Buncomb Technical Community College
  Learning Resources Center
  340 Victoria Rd.
  Asheville 28802
  704-254-1921 x 300

- The Duke Endowment
  200 S. Tryon Street, Ste. 1100
  Charlotte 28202
  704-376-0291

Durham County Library
300 N. Roxboro Street
Durham 27702
919-560-0100

- North Carolina State Library
  109 East Jones Street
  Raleigh 27611
  919-733-3270

- The Winston-Salem Foundation
  310 W. 4th St., Suite 229
  Winston-Salem 27101-2889
  919-725-2382

North Dakota

- North Dakota State University
  The Library
  Fargo 58105
  701-237-8886

Ohio

Stark County District Library
715 Market Avenue North
Canton 44702-1080
216-452-0665

- Public Library of Cincinnati and Hamilton County
  Education Department
  800 Vine Street
  Cincinnati 45202-2071
  513-369-6940

Columbus Metropolitan Library
96 S. Grant Avenue
Columbus 43215
614-645-2590

- Dayton and Montgomery County Public Library
  Grants Information Center
  215 E. Third Street
  Dayton 45402-2103
  513-227-9500 ext. 211

- Toledo–Lucas County Public Library
  Social Science Department
  325 Michigan Street
  Toledo 43623-1614
  419-259-5245

Ohio University–Zanesville
Community Education and Development
1425 Newark Road
Zanesville 43701
614-453-0762

Oklahoma

- Oklahoma City University Library
  2501 North Blackwelder
  Oklahoma City 73106
  405-521-5072

- Tulsa City–County Library System
  400 Civic Center
  Tulsa 74103
  918-596-7944

Oregon

Oregon Institute of Technology Library
3201 Campus Dr.
Klamath Falls 97601-8801
503-885-1772

Pacific Non-Profit Network
Grantsmanship Resource Library
33 N. Central, Ste. 211
Medford 97501
503-779-6044

- Multnomah County Library
  Government Documents Room
  801 S.W. Tenth Avenue
  Portland 97205-2597
  503-223-7201

Oregon State Library
State Library Building
Salem 97310
503-378-4277

Pennsylvania

Northampton Community College
Learning Resources Center
3835 Green Pond Road
Bethlehem 18017
215-861-5360

- Erie County Public Library
  3 South Perry Square
  Erie 16501
  814-451-6927

Dauphin County Library System
101 Walnut Street
Harrisburg 17101
717-234-4961

Lancaster County Public Library
125 North Duke Street
Lancaster 17602
717-394-2651

- The Free Library of Philadelphia
Logan Square
Philadelphia 19103
215-686-5423

- University of Pittsburgh
Hillman Library
Pittsburgh 15260
412-648-7722

Economic Development Council of Northeastern Pennsylvania
1151 Oak Street
Pittston 18640
717-655-5581

RHODE ISLAND

- Providence Public Library
Reference Department
150 Empire St.
Providence 02903
401-521-7722

SOUTH CAROLINA

- Charleston County Library
404 King Street
Charleston 29403
803-723-1645

- South Carolina State Library
Reference Department
1500 Senate Street
Columbia 29211
803-734-8666

SOUTH DAKOTA

- South Dakota State Library
800 Governors Drive
Pierre 57501-2294
605-773-5070
800-592-1841 (SD residents)

Sioux Falls Area Foundation
141 N. Main Ave., Suite 500
Sioux Falls 57102-1134
605-336-7055

TENNESSEE

- Knoxville–Knox County Public Library
500 West Church Avenue
Knoxville 37902
615-544-5750

- Memphis & Shelby County Public Library
1850 Peabody Avenue
Memphis 38104
901-725-8877

- Public Library of Nashville and Davidson County
8th Ave. N. and Union St.
Nashville 37203
615-259-6256

TEXAS

- Community Foundation of Abilene
Funding Information Library
708 NCNB Bldg.
402 Cypress
Abilene 79601
915-676-3883

Amarillo Area Foundation
700 1st National Place One
800 S. Fillmore
Amarillo 79101
806-376-4521

- Hogg Foundation for Mental Health
University of Texas
Austin 78713-7998
512-471-5041

- Corpus Christi State University Library
6300 Ocean Drive
Corpus Christi 78412
512-994-2608

- Dallas Public Library
Grants Information Service
1515 Young Street
Dallas 75201
214-670-1487

- Pan American University
Learning Resource Center
1201 W. University Drive
Edinburg 78539
512-381-3304

- El Paso Community Foundation
1616 Texas Commerce Building
El Paso 79901
915-533-4020

- Texas Christian University Library
Funding Information Center
Ft. Worth 76129
817-921-7664

- Houston Public Library
Bibliographic Information Center
500 McKinney Avenue
Houston 77002
713-236-1313

Lubbock Area Foundation
502 Texas Commerce Bank Building
Lubbock 79401
806-762-8061

- Funding Information Center
507 Brooklyn
San Antonio 78215
512-227-4333

UTAH

- Salt Lake City Public Library
Business and Science Dept.
209 East Fifth South
Salt Lake City 84111
801-363-5733

VERMONT

- Vermont Dept. of Libraries
Reference Services
109 State Street
Montpelier 05609
802-828-3268

VIRGINIA

- Hampton Public Library
Grants Resources Collection
4207 Victoria Blvd.
Hampton 23669
804-727-1154

- Richmond Public Library
Business, Science, & Technology
101 East Franklin Street
Richmond 23219
804-780-8223

- Roanoke City Public Library System
Central Library
706 S. Jefferson Street
Roanoke 24016
703-981-2477

WASHINGTON

- Seattle Public Library
1000 Fourth Avenue
Seattle 98104
206-386-4620

- Spokane Public Library
Funding Information Center
West 906 Main Avenue
Spokane 99201
509-838-3364

Greater Wenatchee Community Foundation at the Wenatchee Public Library
310 Douglas St.
Wenatchee 98807
509-662-5021

WEST VIRGINIA

- Kanawha County Public Library
123 Capital Street
Charleston 25304
304-343-4646

WISCONSIN

- University of Wisconsin–Madison
Memorial Library
728 State Street
Madison 53706
608-262-3242

- Marquette University Memorial Library
1415 West Wisconsin Avenue
Milwaukee 53233
414-288-1515

WYOMING

- Laramie County Community College Library
1400 East College Drive
Cheyenne 82007-3299
307-778-1205

AUSTRALIA

ANZ Executors & Trustees Co. Ltd.
91 William St., 7th floor
Melbourne VIC 3000
03-648-5764

CANADA

Canadian Centre for Philanthropy
1329 Bay St., Suite 200
Toronto, Ontario M5R 2C4
416-515-0764

ENGLAND

Charities Aid Foundation
18 Doughty Street
London WC1N 2PL
71-831-7798

JAPAN

Foundation Center Library of Japan
Elements Shinjuku Bldg. 3F
2-1-14 Shinjuku, Shinjuku-ku
Tokyo 160
03-350-1857

MEXICO

Biblioteca Benjamin Franklin
American Embassy, USICA
Londres 16
Mexico City 6, D.F. 06600
905-211-0042

PUERTO RICO

University of Puerto Rico
Ponce Technological College Library
Box 7186
Ponce 00732
809-844-8181

Universidad Del Sagrado Corazon
M.M.T. Guevarra Library
Correo Calle Loiza
Santurce 00914
809-728-1515 ext. 357

U.S. VIRGIN ISLANDS

University of the Virgin Islands
Paiewonsky Library
Charlotte Amalie
St. Thomas 00802
809-776-9200

THE FOUNDATION CENTER NETWORK

Participants in the Cooperating Collections Network are libraries or nonprofit information centers that provide fundraising information or other funding-related technical assistance in their communities. Cooperating Collections agree to provide free public access to a basic collection of Foundation Center publications during a regular schedule of hours, offering free funding research guidance to all visitors. Many also provide a variety of special services for local nonprofit organizations, using staff or volunteers to prepare special materials, organize workshops, or conduct library orientations.

The Foundation Center welcomes inquiries from libraries or information centers interested in providing this type of public information service. If you are interested in establishing a funding information library for the use of nonprofit agencies in your area or in learning more about the program, please write to: Anne J. Borland, The Foundation Center, 79 Fifth Avenue, New York, NY 10003.